



16 August 2021

Contact Energy Limited – 2021 Full Year Results

Please find attached the following documents relating to Contact Energy Limited's (Contact) full year results for the year ended 30 June 2021.

- (a) Media Release
- (b) Results Presentation
- (c) NZX Results announcement form (LR 3.5)
- (d) NZX Distribution form (LR 3.14.1)

The 2021 Integrated Report is being loaded separately on ASX online and will be available on Contact's website <https://contact.co.nz/aboutus/investor-centre>.

Dividend information filed on Appendix 3A.1 will follow.

ENDS

16 August 2021

Contact delivers solid financial performance to support renewable generation investment

	Twelve months ended 30 June 2021 (FY21)		Twelve months ended 30 June 2020 (FY20)
EBITDAF ¹	\$553m	↑	24% from \$446m ²
Profit	\$187m	↑	50% from \$125m
Profit per share	25.3 cps	↑	45% from 17.5 cps
Operating free cash flow ³	\$371m	↑	28% from \$290m
Operating free cash flow per share	50.2 cps	↑	24% from 40.4 cps
Dividend declared	\$272m	↓	3% from \$280m
Dividend declared per share	35.0 cps	↓	10% from 39.0 cps
Stay-in-business (SIB) capital expenditure (cash)	\$61m	↑	20% from \$51m
Growth capital expenditure (cash)	\$76m	↑	55% from \$49m
Strategic investments (cash)	\$40m	↑	471% from \$7m

Highlights

- Launched Contact26 strategy focused on leading New Zealand's decarbonisation by connecting customers with our renewable energy development pipeline.
 - Development of new 152 megawatt Tauhara geothermal power station on track after \$580m investment approved in February.
 - Completed \$400m equity raise to support the Tauhara project and the significant expected medium-term growth capital investment programme.
 - Milestone of 50,000 broadband connections reached after rapid growth this year. Average electricity tariff to mass market electricity customers only up by 1.4% on FY20 despite sustained higher wholesale prices.
 - Ongoing strategic review of thermal assets, including 'Thermal Co' proposal to reduce New Zealand's cost and carbon intensity of thermal generation while ensuring security of supply.

¹ Refer to slide 48 of Contact's FY21 Investor Results Presentation for a definition and reconciliation of the non-GAAP measure EBITDAF

² Restated to account for the removal of the significant items classification previously excluded from EBITDAF

³ Refer to slide 21 of Contact's FY21 Investor Results Presentation for a reconciliation of operating free cash flow

- Southern Green Hydrogen project launched with Meridian Energy to assess New Zealand's near-term hydrogen potential.
- Guided by our tikanga and pricing principles, we proactively worked with customers that were struggling to pay their bills, helping reduce both disconnections and bad debt.
- Solid financial performance, with operating earnings (EBITDAF) up 24% year-on-year to \$553m and profit up by 50% to \$187m.
 - Underpinned by strong asset availability and a disciplined approach to managing fuel in FY20 to support the market in FY21.
 - Final dividend of 21 cents per share will be paid on 15 September 2021, bringing the full year declared dividend to \$272m.

New Zealand's largest privately-owned energy company Contact Energy ('Contact') released its full year financial results for the 12 months to 30 June 2021 ('FY21') this morning.

Contact Chair Rob McDonald said Contact had delivered a "solid" financial result.

"Contact has performed ahead of expectations after successfully navigating the potential departure of major energy users, short-term issues around low rainfall in the hydro catchments, and ongoing challenges around reliable gas supply. FY21 has been a year in which we have continued to deliver solid returns for our shareholders and made significant moves to ensure the company is well-positioned for the future by spending \$177m on capital investments."

The results are underpinned by Contact's "decisive" channel management, as it supported fuel-constrained competitors with its flexible portfolio of gas-fired and renewable assets.

Mr McDonald said the company had refreshed its strategy and was on a path to invest to meet the anticipated market growth for low-cost renewable generation.

"Contact is preparing for a time of significant change and is positioned for growth as we focus on leading New Zealand's decarbonisation. It's pleasing to see evidence of the strategy in action in significant ways too."

"This includes investigating the potential for hydrogen production in the lower South Island, the development of the world-class Tauhara geothermal power station in the central North Island, and the \$400m equity raise for our capital investment programme as we look ahead to further renewable generation developments."

He said it was pleasing to deliver investors a 35 cents per share annual dividend, down slightly from 39 cents per share in FY20. "This is in line with the dividend policy we updated in February this year where we target a pay-out ratio of between 80 per cent and 100 per cent of the average operating free cash flow of the preceding four financial years."

Financial performance

CEO Mike Fuge said Contact had reported a statutory profit for FY21 of \$187m, up from \$125m a year ago. Operating earnings were up by \$107m on FY20, partially offset by increased depreciation on thermal generation stations and higher tax to pay on the improved financial performance.

“We’ve done an excellent job in securing gas supply to ensure we could continue to generate electricity when renewable generation options were constrained by weather for most of the second half of the year.

“We expect there’ll be continued reliance on higher cost fuel sources over the short-term, but these will be displaced over the next few years as more than three terawatt hours of low-carbon, renewable generation plants come on stream, including our geothermal development at Tauhara.”

Contact’s operating free cash flow for FY21 was \$371m, up 28 per cent on FY20 on higher operating earnings and lower interest costs. This was partially offset by higher stay-in-business capital spending to support scheduled four-yearly geothermal outages.

Strategy in action

Mr Fuge said the company had undertaken “a significant strategic reset” and the new strategy communicated in the second half of FY21 signalled an exciting new chapter for Contact.

“At the heart of this is our commitment to building a better New Zealand by growing demand for renewable electricity, developing our renewable electricity generation options, decarbonising our own portfolio and creating outstanding experiences for our customers.”

He said the company had hit the ground running in terms of delivering on the strategy. “We’re obviously very excited about the development under way at Tauhara, but it does not stop here. The capital raise gives us the flexibility to execute on up to \$800m of additional projects and we are actively looking at how we can bring more geothermal development forward in response to customer demand for our renewable electricity.

“We’re also under way with delivering innovative projects that increase generation efficiency from our existing assets and exploring opportunities around geothermal, wind, solar and the potential for further green electricity flexibility, including grid-scale batteries.”

He said Contact had also made sensible investments where it saw opportunities that would play an important role in New Zealand’s transition to a low-carbon future.

“For example, we established our exclusive partnership with wind generation experts Roaring40s to develop a pipeline of large-scale wind generation assets, acquired specialist geothermal service company Western Energy to drive efficiency, and we’re very optimistic about the role our subsidiary Simply Energy can play in helping customers decarbonise their businesses.”

Mr Fuge said Contact would continue to increase customer connections by expanding into new products and services and had recently celebrated the milestone of 50,000 broadband connections.

People

There was one change to the Contact Board in FY21 with the departure of independent director Whaimutu Dewes in March 2021, after more than 10 years as an independent director.

Mr Dewes was replaced by new independent director Rukumoana Schaafhausen. She holds a range of governance roles at various organisations and has strong iwi connections and experience. Mr McDonald said: “We are delighted to have her strong values, diverse thinking, and passion for Aotearoa on the Contact Board.”

Independent director Dame Therese Walsh will also leave the Contact Board this month to focus on her other governance roles. She will be replaced by Sandra Dodds who joins on 1 September 2021.

Mr McDonald acknowledged the contributions of the two departing directors. “Both Whaimutu and Dame Therese have made considerable contributions to Contact and I would like to thank them both very much for their leadership, and wish them both well.”

There have also been changes to the Contact leadership team this year. Jacqui Nelson was appointed as Chief Generation Officer in July 2020, after more than 15 years at Contact in a wide range of roles across finance, resource management, trading and operations. And in April 2021, Jack Ariel joined in a new role as General Manager, Major Projects.

Chief Customer Officer Vena Crawley left Contact in April 2021 and last month deputy CEO James Kilty finished up at Contact ahead of his new role as CEO at electricity distributor Powerco.

Mr Fuge said: “On behalf of the Contact whānau, I would like to thank both James and Vena and wish them all the best for the future.”

Outlook

Mr Fuge said there was “no doubt” flexible thermal generation would still be required as the New Zealand electricity sector moves toward the Government’s goal of being 100 per cent renewable.

“As an industry we will need work together to expedite sensible decarbonisation, while maintaining security of supply and affordability.”

Contact is leading the market in delivering emission reductions. This included a 'gas tolling' deal with Nova Energy to use Contact's more efficient thermal generation leading to a net reduction in carbon emissions, and a recent power purchase agreement with Genesis Energy that will further reduce New Zealand's reliance on fossil fuels.

The company was also engaging with a range of stakeholders about an option to consolidate New Zealand's thermal generation arrangements into one entity. “We believe consolidating thermal assets could optimise electricity generation from coal and gas-fired plants in ways that are aligned with New Zealand's emission reduction objectives, and also ensure affordable and stable electricity supply.”

Mr Fuge said Contact was looking forward to FY22 and beyond. “We understand the critical role that the electricity sector is set to play in reducing emissions and minimising climate change across the New Zealand economy over the next decade, as laid out in the Climate Change Commission's recent advice to the Government. Our response is unequivocal: we are up for the challenge.

“We're a strong company with a clear strategy and a host of opportunities in front of us. We have a robust balance sheet, a portfolio of high quality and flexible assets and a very capable team. We're excited about the future.”

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Additional information:

- Investor presentation [\[link\]](#)
- Investor webcast [\[link\]](#)
- FY21 Integrated Report [\[link\]](#)

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2021 Full Year Results Presentation

Twelve months ended 30 June 2021

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This presentation may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Contact. Forward-looking statements can generally be identified by the use of words such as 'project', 'foresee', 'plan', 'expect', 'aim', 'intend', 'anticipate', 'believe', 'estimate', 'may', 'should', 'will' or similar expressions. Forward-looking statements in this presentation include statements regarding sustainability and ESG targets, retail gas tariffs, future financial performance and changes to climate change regulations.

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You are strongly cautioned not to place undue reliance on any forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused in relation to the Company and otherwise by the COVID-19 pandemic.

Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks.

Although management may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realised.

EBITDAF, free cash flow and operating free cash flow are financial measures that are "non-GAAP (generally accepted accounting practice) financial information" under Guidance Note 2017: 'Disclosing non-GAAP financial information' published by the New Zealand Financial Markets Authority, "non-IFRS financial information" under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' and "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Exchange Act of 1934. Disclosure of such non-GAAP financial measures in the manner included in this presentation would not be permissible in a registration statement under the U.S. Securities Exchange Act of 1934. Such financial information and financial measures (including EBITDAF, free cash flow and operating free cash flow) do not have standardised meanings prescribed under New Zealand equivalents to International Financial Reporting Standards ("NZ IFRS"), Australian Accounting Standards ("AAS") or International Financial Reporting Standards ("IFRS") and therefore, may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with NZ IFRS, AAS or IFRS accounting practice) measures. Information regarding the usefulness, calculation and reconciliation of these measures is provided in the supporting material.

Furthermore, while all reasonable care has been taken in compiling this presentation, Contact accepts no responsibility for any errors or omissions.

This presentation does not constitute investment advice.

Numbers in the presentation have not all been rounded and might not appear to add.

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All references to \$ are New Zealand dollar.

- 1 FY21 Highlights and Market Update/ Mike Fuge, CEO 4-13
- 2 Financial Results and Outlook / Dorian Devers, CFO 14-28
- 3 Progress on Strategy / Mike Fuge, CEO & Dorian Devers, CFO 29-37
- 4 Supporting Materials 38-52

FY21 performance highlights

Mike Fuge, CEO



Solid financial performance supports continued investment to decarbonise New Zealand

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Operating earnings (EBITDAF) were up by \$107m when compared to FY20.

The operating conditions in FY21 were characterised by significant uncertainty around:

- The near-term future of major energy users, including NZAS.
- La Niña weather patterns and dry national hydrology.
- The deliverability of gas from declining gas fields.
- Rising carbon costs.

Despite the uncertainty in operating conditions, Contact supported wholesale customers with strong asset availability while managing our fuel risks.

During the year, Contact committed to the construction of the new 152MW Tauhara geothermal development, with the total capital investment totalling \$177m for the financial year.

¹ Refer to slides 48 for a definition and reconciliation of EBITDAF

² Refer to slides 24 for a reconciliation of operating free cash flow

³ Restated to account for the removal of the Significant items classification previously excluded from EBITDAF

Contact 26 > Key strategic highlights from FY21



Grow demand



Grow renewable development



Decarbonise our portfolio



Create outstanding customer experiences

Objective

Attract new industrial demand with globally competitive renewables

Build renewable generation and flexibility on the back of new demand

Lead an orderly transition to renewables

Create NZ's leading energy and services brand to meet more of our customers' needs

FY21 highlights

Supported the extension of NZAS, facilitating an orderly 2024 exit

Undertook hydrogen study and opened registration of interest process

First 10MW flexible electricity agreement signed with a data centre

Simply Energy 100% acquisition

Agreed PPA terms with Genesis for 62.5MW backed by Tauhara

New renewable investment committed: 152MW geothermal power station

New capability added to accelerate decarbonisation: Roaring 40s wind partnership and Western Energy acquisition

Balance sheet strengthened to support renewable pipeline: \$400m equity raise

Launched ThermalCo concept, started stakeholder engagement

Battery RFP concluded; engaged with EA to unlock regulatory barriers within the Transmission Pricing Methodology

Secured an additional 17MW of green flexibility

Currently no intention of renewing the Swaption post 2022

Protected mass market customers from high wholesale prices – tariff up 1.4% on FY20

Connections up 4%, with broadband connections up 25k (now 51k broadband connections)

End-to-end digital customer journeys programme delivered online refunds, new bill emails, asynchronous messaging and new CSR Tools to significantly increase use of digital self-serve channels

Contact 26 > Key strategic highlights from FY21



Our ESG
commitment



Operational
excellence



Transformative
ways of working

Objective

Create long-term value through our strong performance across a broad set of environmental, social and governance factors

Continuously improving our operations through innovation and digitisation

Create a flexible and high-performing environment for NZ's top talent

FY21 highlights

Converted all bi-lateral bank facilities to sustainability-linked loans and eligible debt certified as 'green'; 1st New Zealand company to join the Nasdaq Sustainable Bond Network.

Over half of our passenger fleet is electric.

Sustainable Procurement strategy established including board approval of our Supplier Code of Conduct and Modern Slavery Statement.

We planted more than 29,000 trees across our sites this year

Improved on DJSI ranking to 62 percentile (from FY19: 55 percentile)

Supported 123 community initiatives through sponsorship, donations, grants and volunteer time.

Thermal generation availability highest since FY17, due to engineering and maintenance undertaken to meet market demand

Safety performance was outstanding

Fueling innovation by acquiring Western Energy to deliver lower cost geothermal fuel

57% reduction in travel emissions, 348 tonnes of CO2-e saved through reduction in commuting and 413 tonnes saved with a reduction in business travel

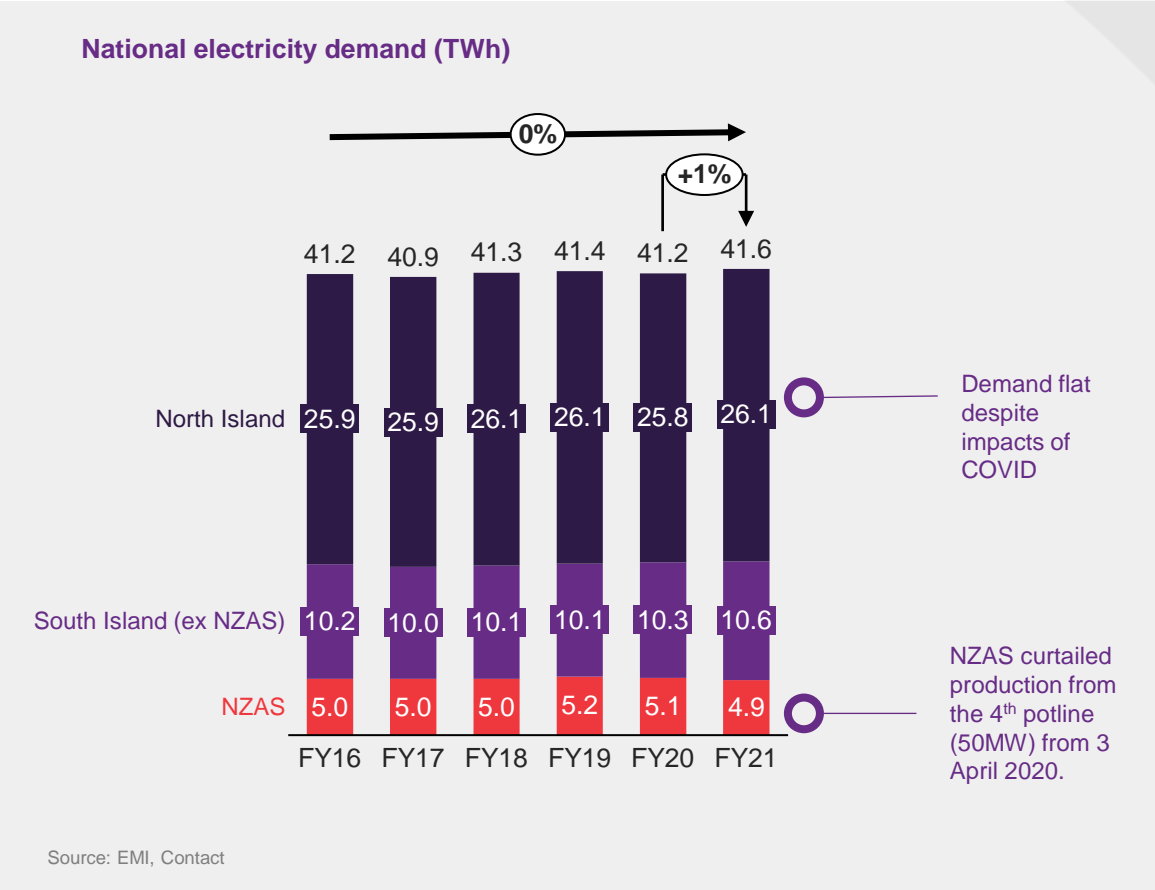
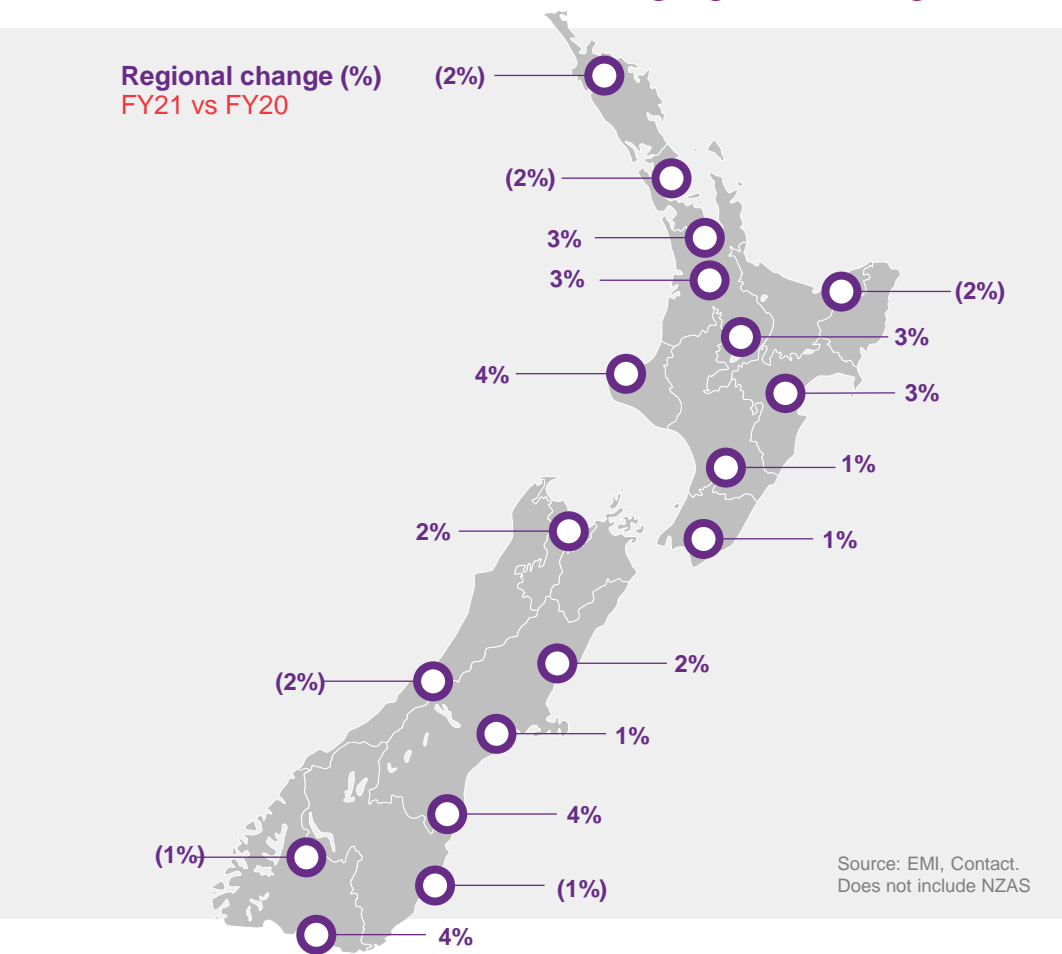
A new engagement tool Peakon launched with employee engagement 7.8/10 and +30 eNPS

Several initiatives launched to grow our capability including a new leadership and learning framework

Reduction in office footprint

National electricity demand

Encouraging demand growth despite limited net migration and economic uncertainty.

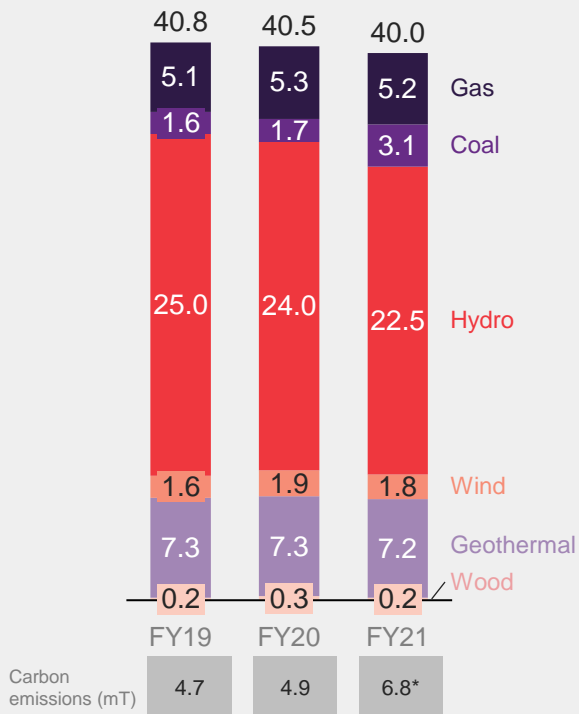


Hydrology and impact on generation mix

A reduction in natural gas production saw higher coal generation.

Generation by type (TWh)

Generation from generator retailers



Hydro generation was down by 5% when compared to FY20 with below mean national inflows for the majority of the financial year.

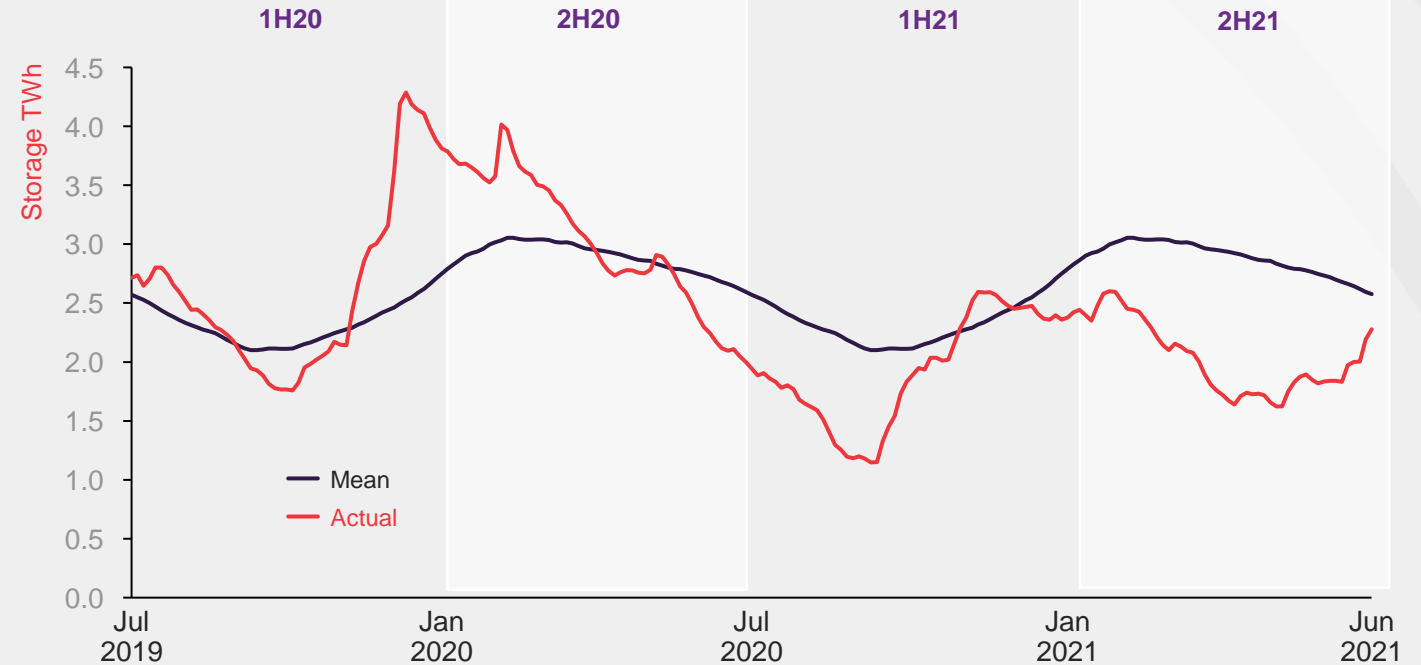
With limited gas availability, due to the production declines at Pohokura and Kupe, generation from coal increased by 82% on FY20.

Source: EMI & MBIE

*Carbon emissions for FY21 Apr-Jun quarter has been estimated using historic conversion rates with actual generation data. The uplift in carbon emissions of 1.9mT CO₂-e was due to the increase in coal generation from FY20 to FY21.

Not all generation stations are captured in the chart above.

National hydro storage



Lake levels were appropriately managed through the financial year to manage the risk around gas availability and delivery. Unseasonably strong inflows in June and July 2021 has seen national storage recover above mean.

Source: NZX

Short-term factors influencing price all sharply higher over the last 12 months

The market is reacting to these price signals and adding new capacity.

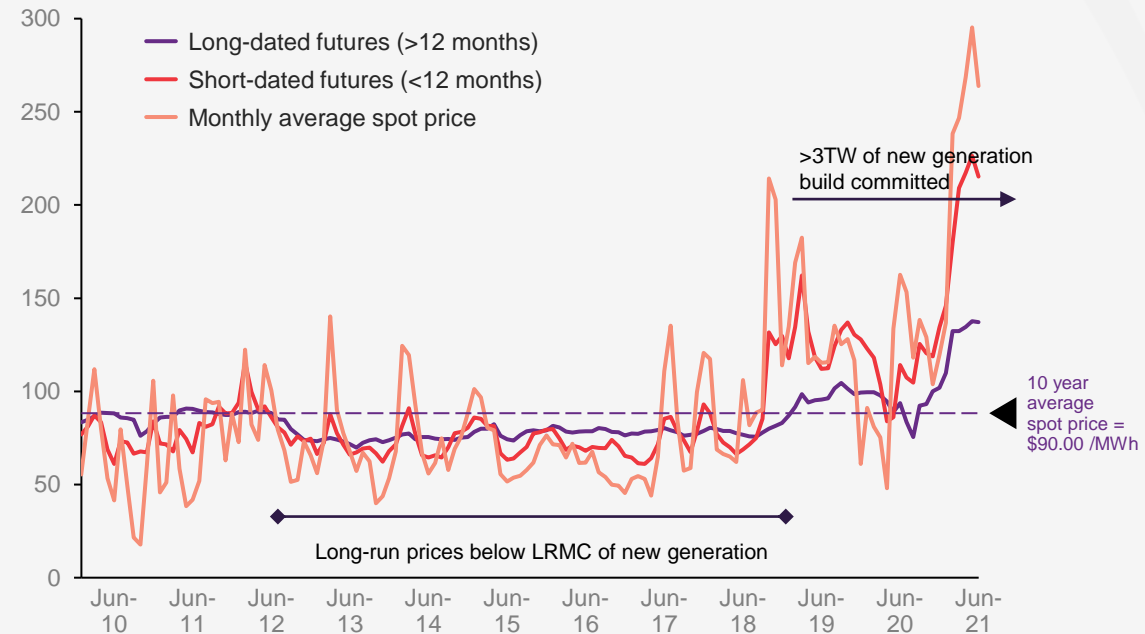
Short-term external factors that can influence the market

Changes as at 30 June 2021, in comparison to June 2020



Long-term pricing is linked to the **long-run marginal costs of new renewable projects** plus costs associated with **firming renewable intermittency** to meet growing demand

Wholesale and futures electricity pricing (\$/MWh)

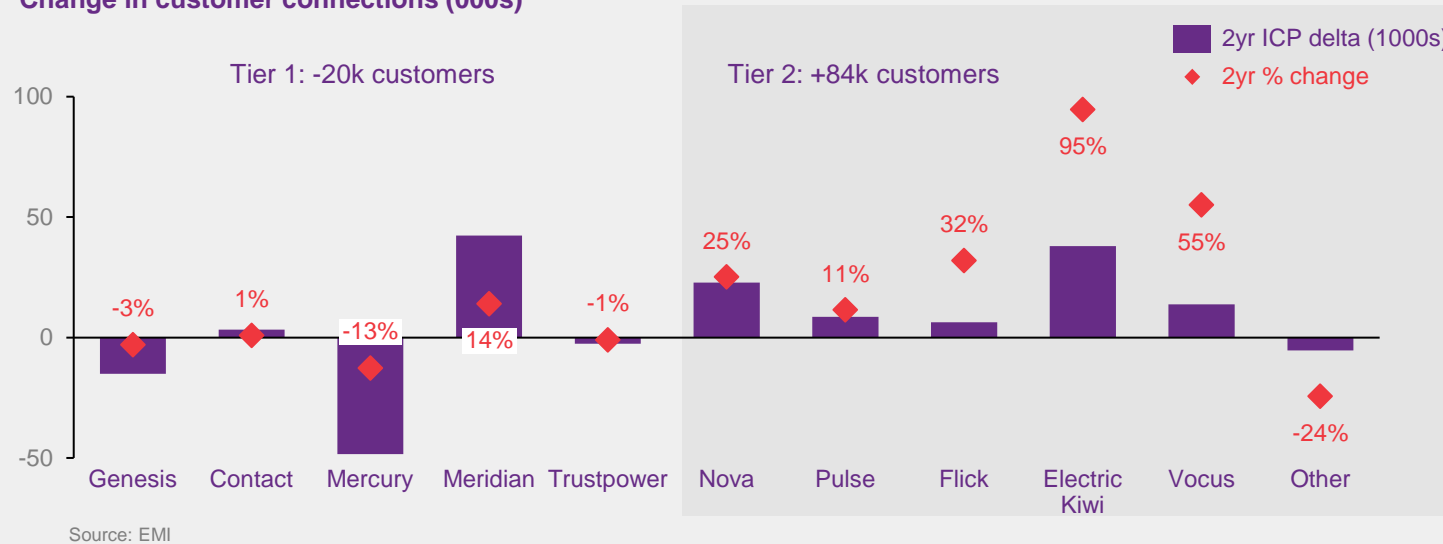


Both long-dated and short-dated prices remain well above long-term averages, reflecting higher thermal fuel costs and availability fuel risk

Source: EMI wholesale pricing

Retail competition remains intense

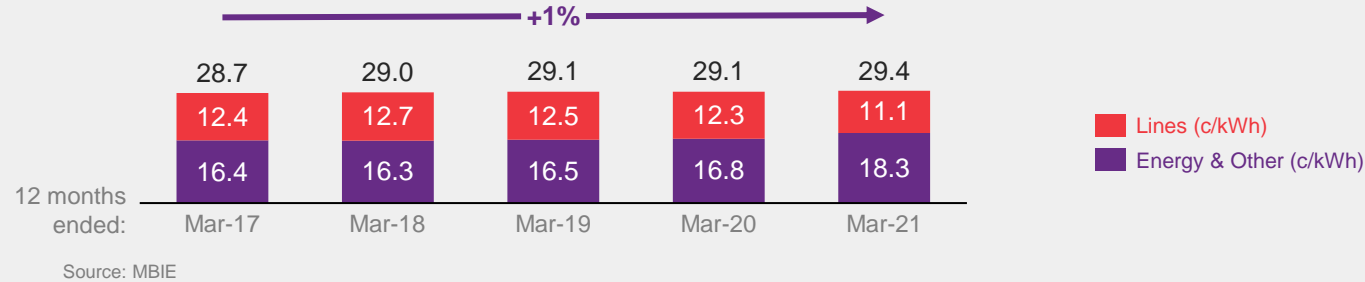
Change in customer connections (000s)



Divergent views on the value of a customer:

- Tier 1: Mercury 50k connections down over 2 years, Meridian growing market share (+42k connections) now 3rd largest mass market retailer.
- Nova and Electric Kiwi continuing incredibly strong growth trajectory.
- Reducing market share of main players continues, Tier 2 market share now at 16% (from 12% November 2018) despite volatile and higher wholesale prices.
- New connections were up slightly compared to prior year (~1.5% increase).

Retail tariff changes (c/ kWh)



Despite sharply higher wholesale prices over the last three years, tariffs up by a compound annual growth rate of 1% reflecting intense competition and diverging views of long-term wholesale prices.

Regulatory reset of Electricity Distributors WACC, has led to network cost reductions since 1 April 2020 partially offsetting rising energy costs over FY21. Network costs expected to rise above inflation over the medium term.

Topical regulatory matters

Key themes



Wholesale market volatility

Gas availability and lower mean water levels through 2021 have resulted in higher spot and hedge market prices, increasing pressure on unhedged energy intensive industries, and retail pricing.

The Electricity Authority, GIC and Minister continue to closely monitor security of supply, fuel availability and its impact on the wholesale market.



Climate Change Commission

In June 2021, the Commission delivered its final report on carbon budgets and policy recommendations. The government must publish an Emissions Reduction Plan by the end of 2021.

What Contact is doing

Contact is investing \$580m in Tauhara, rolling out virtual Peaker product and working with industry to efficiently increase thermal generation in a fuel constrained market

Contact is working with customers to smooth out pricing volatility through long-term contracts

Contact continues to brief officials on its approach to managing current volatility.

Contact cooperates with various market enquiries by providing relevant data where required.

Contact strongly supports the recommended direction of the Commission report, and the role that the energy sector will play in decarbonisation.

Contact continues to closely engage in the government's work and assess the strategic opportunities and impacts for Contact.

Topical regulatory matters

Key themes



New Zealand Battery project

The government is assessing options to address New Zealand's dry year risk with 100% renewable generation. This includes assessing its initially preferred solution of pumped hydro at Lake Onslow.



Energy hardship

Covid-19 has placed additional pressure on New Zealand households and businesses. Contact is actively working to minimise energy hardship.

What Contact is doing

Contact supports further analysis to address dry year risk. Multiple options exist that will require careful evaluation, including interruptible green hydrogen.

Contact is advancing the thinking on ThermalCo which appears to be a low capital, low cost and low risk solution

Contact is engaging with government in assessing potential options

Contact's tikanga, pricing principles and proactive work with its customers who are struggling to pay their bills has resulted in reduced disconnections and bad debt.

Contact offers a range of payment options including weekly and fortnightly billing, pre-pay and price smoothing products.

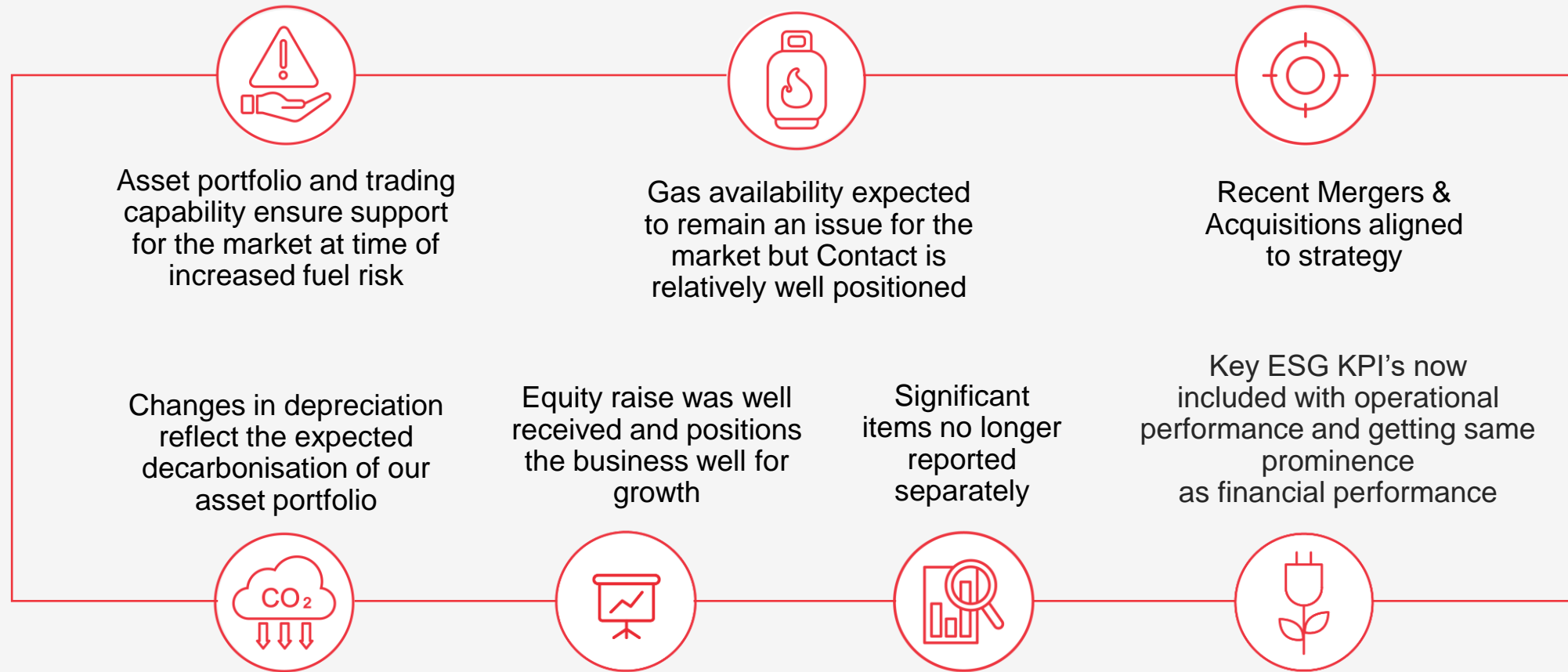
Contact is working with industry through ERANZ on the EnergyMate programme and PowerCredits scheme in association with budget advisors and FinCap.

An aerial photograph of a lush tropical forest. A white line, possibly a path or boundary, winds through the dense green foliage. A semi-transparent grey polygon is overlaid on the upper right portion of the image. The text 'Operational performance and financial results' is written in white, bold, sans-serif font in the upper left area.

Operational performance and financial results

Dorian Devers, CFO

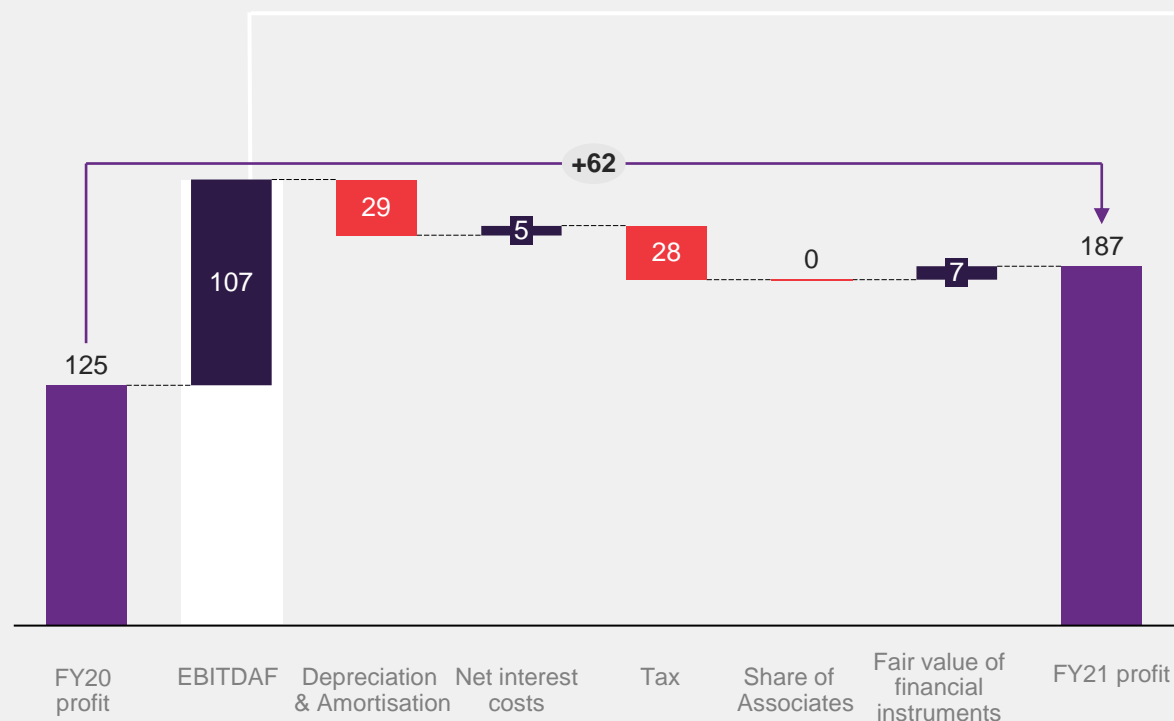
Key themes from the financial results



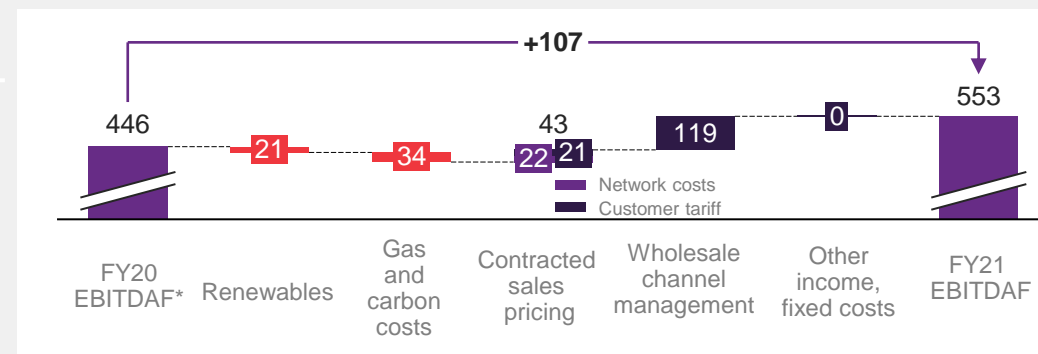
Profit of \$187m, up \$62m

EBITDAF up by \$107m, as Contact supported the wholesale market in a period of fuel uncertainty.

Profit (\$m)



EBITDAF (\$m)



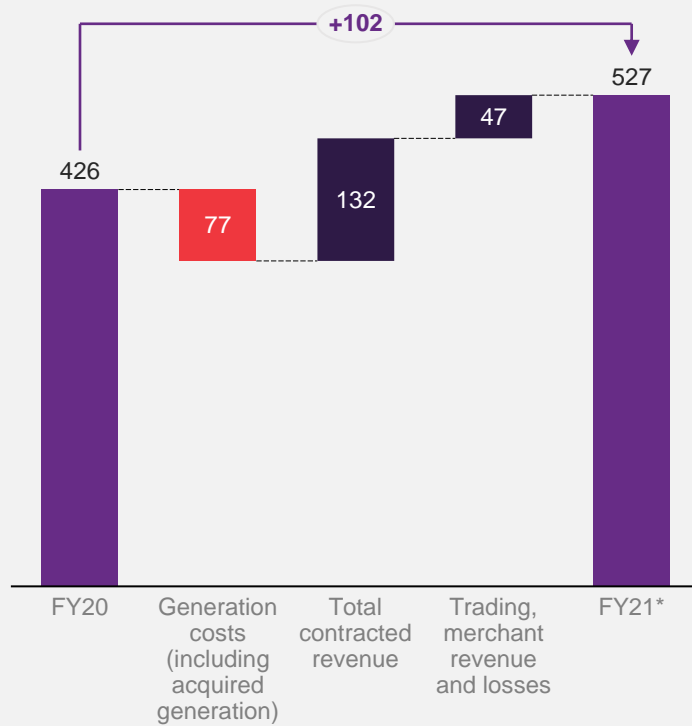
- ① Lower geothermal generation year on year impacted by 4-yearly Te Mihi outage with lower hydro generation
- ② Higher gas and carbon costs to run thermal generation
- ③ Improved net pricing from contracted customers as network costs reduced
- ④ Active channel management with increased sales to support fuel constrained market participants at a higher price
- ⑤ Higher other income and lower electricity transmission costs offset by higher operating costs

*EBITDAF restated to reflect the removal of significant items

EBITDAF up by \$107m

Business performance by segment.

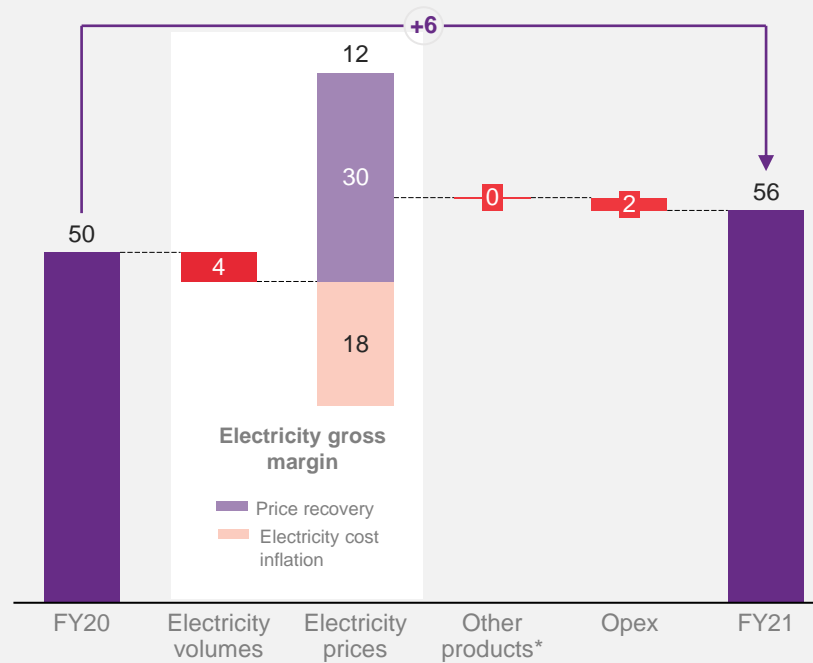
Wholesale EBITDAF (\$m)



Refer to slides 18 - 20

*Simply and Western included within Wholesale EBITDAF

Customer EBITDAF (\$m)



Refer to slide 21

*Other products includes retail gas and broadband gross margins

Corporate / unallocated costs (\$m)

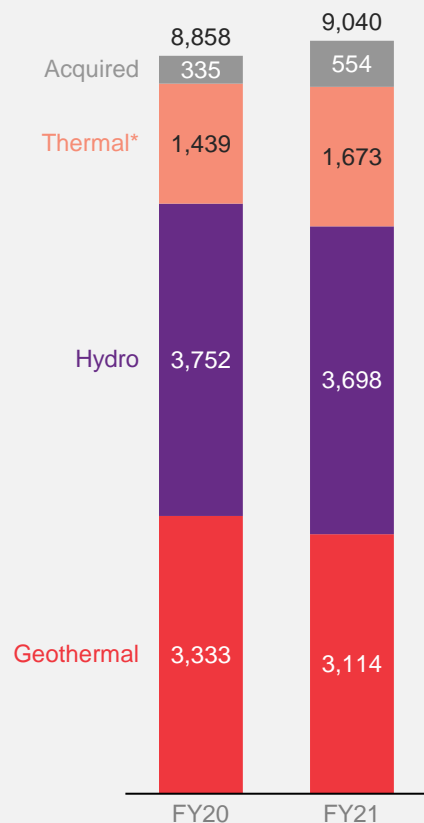


FY20 restated to include Holiday Act expense (\$5m) after the removal of Significant items

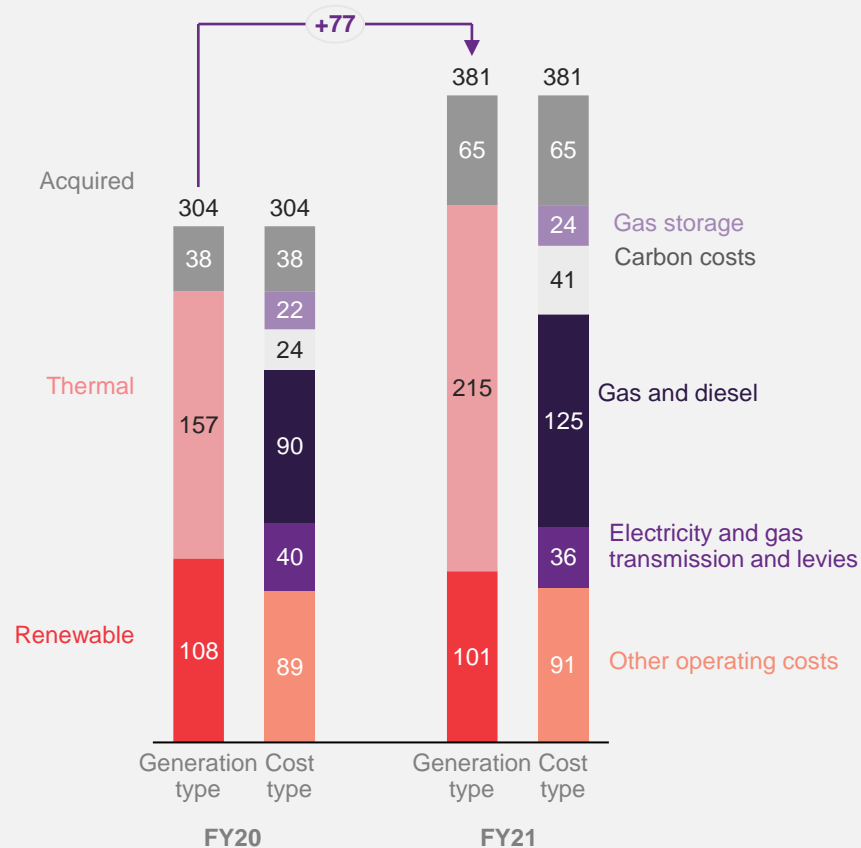
Generation costs

Costs up \$77m (\$8.5/MWh) as gas and carbon costs rose. Acquired generation sharply higher.

Electricity generated or acquired (GWh)



Electricity generated or acquired costs (\$m)



Hydro generation down 53GWh on FY20 (-1%), 202GWh (-5%) below mean year expectations. Geothermal volumes were 219GWh down on prior year following a significant 4-yearly outage programme in the period.

- Renewable generation costs were down \$7m on FY20. Transmission costs for renewable assets were down by \$7m on FY20 as HVDC pole 1 costs ended.

Thermal generation costs were up by \$58m due to higher gas (FY20 \$6.7/GJ, FY21 \$8.0/GJ) and carbon prices (FY20 \$24/unit, FY21 \$31/unit) and higher thermal generation in FY21.

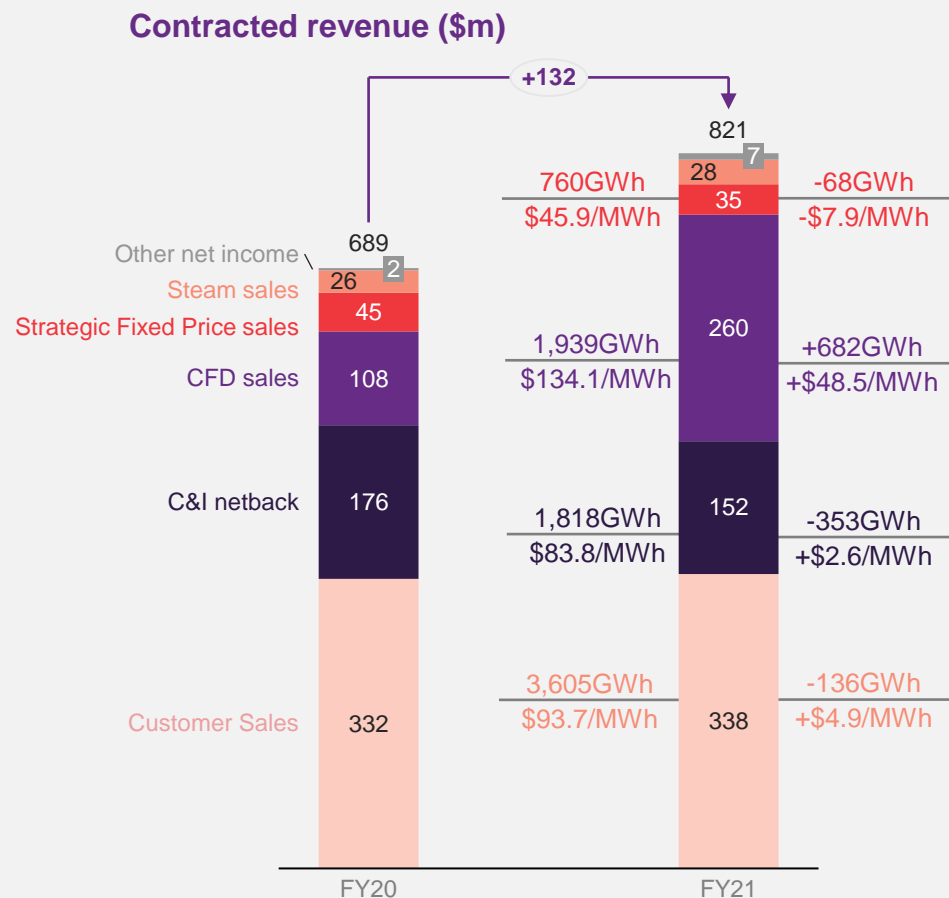
- Gas and carbon fuel costs up from \$76/MWh in FY20 to \$96/MWh (+26%)
- Fixed costs relating to AGS and other operating costs were up by \$2m each on the prior comparative period as the AGS facility expansion was commissioned on 30 September 2020

Increased acquired generation on the prior period as wholesale spot prices encouraged swaption calls.

*Thermal includes tolling of ~261GWh FY20 and ~312GWh FY21

Wholesale contracted revenue

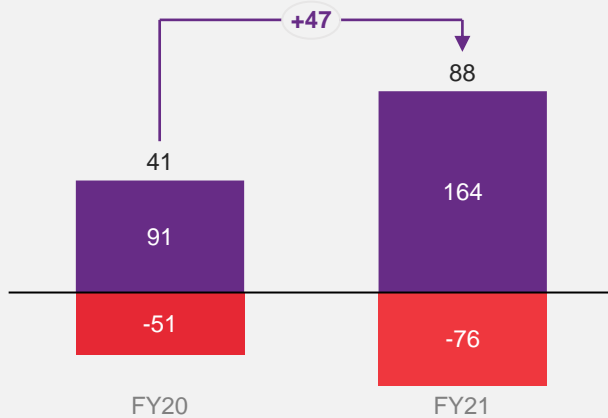
Sales mix adjusted to reflect the uncertainty of fuel availability.



- Fixed price variable volume electricity sales to the Customer segment and C&I customers ended 489GWh lower than FY20 (-\$42m), this was partially offset by higher prices (+\$24m), reflecting higher wholesale prices over the three preceding years.
- Strategic fixed price sales were down with lower sales to support NZAS due to the suspension of the 4th potline, partially offset by an increase in volume supplied to industry under a long-term PPA. Lower pricing reflects updated NZAS support contract from January 2021 (-\$10m)
- CFD sales volumes were up by 682GW as nearer term higher priced channels were prioritised (+\$152m)
- Steam revenue was up \$2m on FY20 with an increase in geothermal steam sales secured (+77GWh) with steam tariffs on Te Rapa generation rising with carbon costs changes.
- Other income was up by \$5m as the \$2m loss on market making in FY20 was not repeated and income from the Western Energy acquisition (1 April 2021) was realised (\$2m)

Wholesale trading and merchant revenue

Trading EBITDAF (\$m)



Trading revenue

Merchant sales: short-term sales channel available when the spot prices exceed the opportunity cost of Contact generation.

LWAP / GWAP losses: locational price differences between where electricity is generated and purchased.

Long / short position (GWh)



- 43GWh increase in merchant sales volumes. The price received for this “long” generation was up by \$74.20/MWh on FY20.
- Inter-island separation reduced from 6% to 5% on dry South Island conditions, this was offset by higher absolute prices to increase generation losses by \$25m.

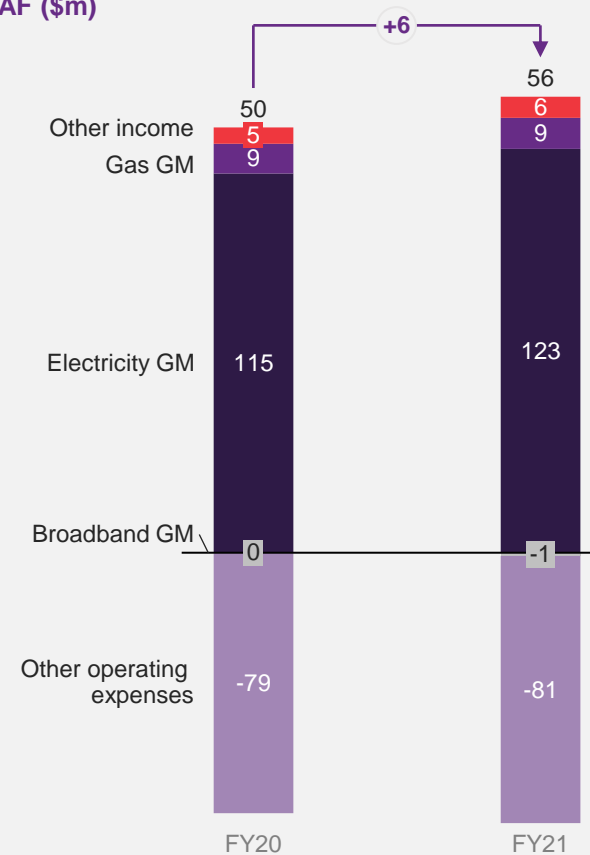
Customer business performance

Managing through elevated wholesale input costs.

Revenue & Tariff ¹ (\$m)	FY20	FY21		Variance	
	\$m	\$m	Tariff	\$m	Tariff
Electricity gross revenue	859	841	249	(18)	7
PPD not taken	10	5		(5)	
Incentives paid	(6)	(5)		1	
Net revenue (cash)	862	841	249	(22)	4
Capitalised incentives	7	7			
Amortised incentives	(8)	(9)			
Net revenue (P&L)	861	838	248	(23)	3
Gas revenue	74	74	94	(0)	5
Broadband revenue	17	32	68	15	(2)
Other income	5	6		1	
Total revenue	957	951		(7)	
Contract Asset (closing)	13	9		(3)	

1. Tariff is \$/MWh for electricity, Gas \$/GJ and \$ per month per customer connection for broadband

EBITDAF (\$m)



Gross Margin (GM) is Revenue less Cost of Goods [Networks, meters, levies, energy, carbon and broadband]

The electricity tariff changes balance the recovery of rising input costs, the competitive environment and regulatory pressures:

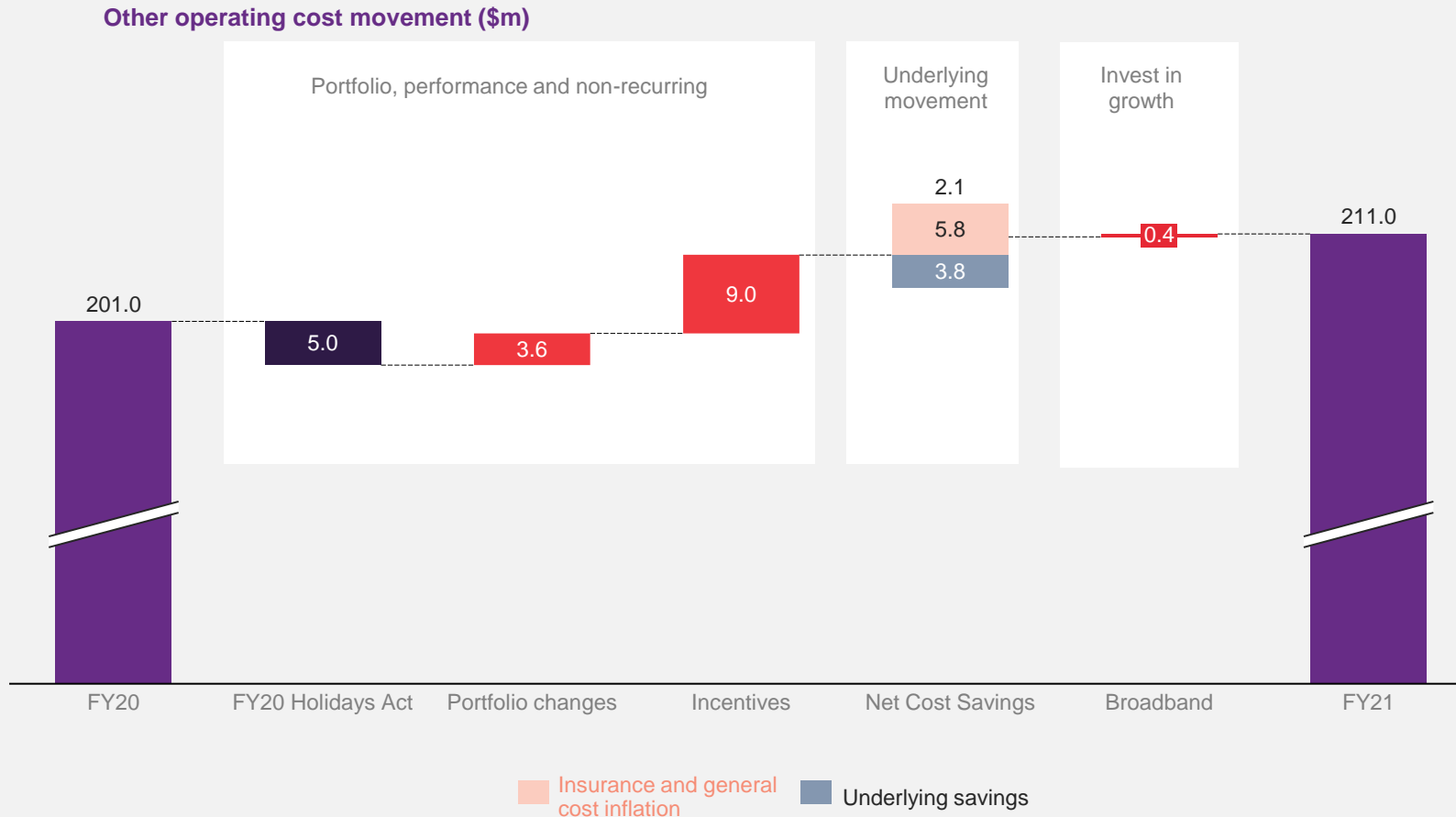
- 67% of our residential customers are on non-PPD products from 1 July.
- Around 50% of customers received a price increase in FY21.
- Ending Prompt Payment Discounts, - 50% reduction in PPD not taken.

Continue to smooth the impact of higher electricity costs for customers:

- Combination of targeted retail price rises and a reduction in network costs from 1 April 2020 has seen electricity gross margins improve by 7% from FY20.
- Retail energy tariffs - will need to rise to reflect elevated wholesale electricity, gas and carbon costs.

Strong growth in Broadband connections (+25k up on FY20).

Operating costs up on acquisitions and improved financial performance



Portfolio performance and non-recurring

- Holidays Act provision (-\$5m) recognised in FY20 not repeated.
- Operating costs acquired as part of the strategic transactions of Western Energy and Simply Energy (\$3.6m).
- Strong FY21 performance leading to higher incentive costs, FY20 incentives were reduced after consideration of COVID potential (\$9m).
- Benefits of the strategic acquisition of Western Energy on the well restoration provision offset by costs incurred to execute the refreshed strategy (nil).

Underlying movement

- Strong credit collection and payment products saw a reduction in bad debt (\$3.0m).
- Digital journeys programme improved customer service efficiency

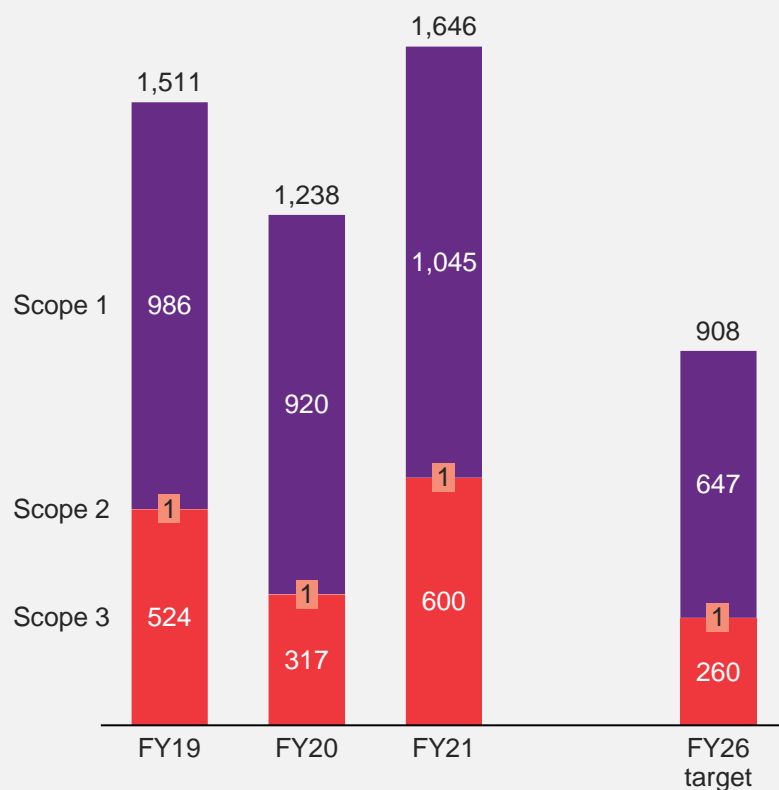
Broadband

- Further incremental investment in broadband growth. Benefits of change in provider and further digitisation resulting in 87% productivity increase as measured by broadband connections per full time equivalent.

Greenhouse gas reporting

Carbon emissions up as low hydro inflows led to increased thermal generation and coal based swaption calls.

kT of CO2e emitted



Performance

- Scope 1 emissions up 125kT, predominantly from carbon emitted from thermal generation with high volumes in FY21 to support lower renewable generation
- Carbon from swaption up over 300% as Contact made more calls under the swaption and a higher emissions intensity factor from the fuel mix (FY21: 300kT, FY20: 90kT)
- Emissions from business travel and employee commuting down by 57%, enabled by our transformative ways of working programme

Targets

- Our targets have been approved by the Science-based targets initiative (1.5 degree warming)
- Reduce Scope 1 and 2 GHG emissions 45% compared to 2018 baseline by 2026
- 30% reduction of 2018 Scope 3 GHG emissions by 2026.

See slide 40 for detailed greenhouse gas emissions reporting

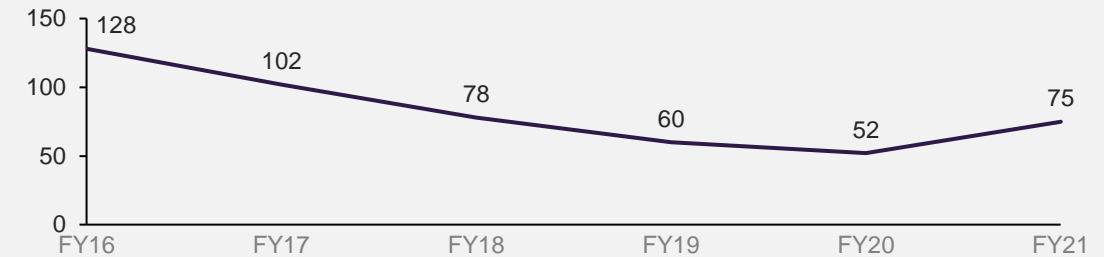
Cash flow and capital expenditure

Underlying cash conversion remains strong.

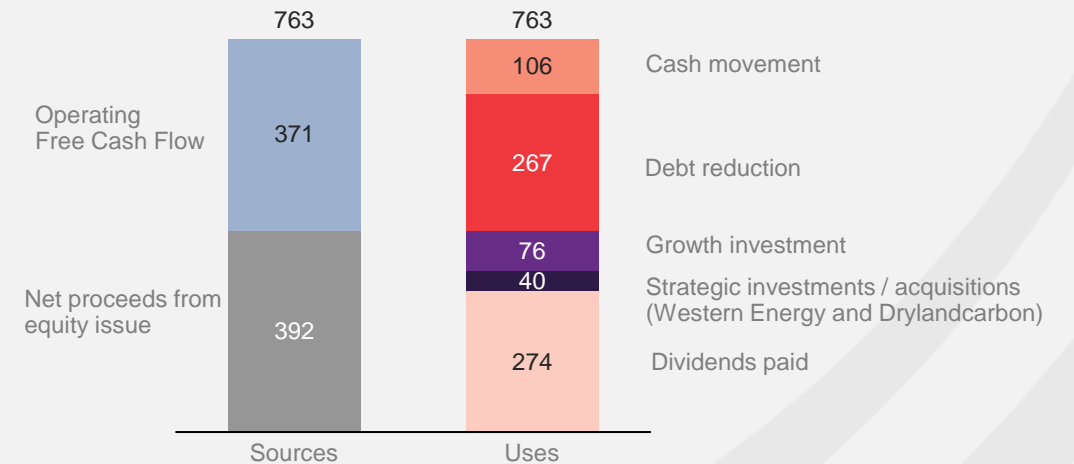
	12 months ended 30 June 2021	12 months ended 30 June 2020	Comparison against FY20
EBITDAF	\$553m	\$446m	↑ \$107m
Working capital changes	\$3m	\$7m	↓ (\$5m)
Tax paid	(\$79m)	(\$70m)	↓ (\$9m)
Interest paid, net of interest capitalised	(\$43m)	(\$49m)	↑ \$6m
SIB capital expenditure	(\$61m)	(\$51m)	↓ (\$10m)
Non-cash items included in EBITDAF	(\$2m)	\$7m	↓ \$9m
Operating free cash flow	\$371m	\$290m	↑ \$81m
Operating free cash flow per share	50.2cps	40.4cps	↑ 9.8cps
Cash conversion (OpFCF / EBITDAF)	67%	65%	↑ 2%

- EBITDAF up \$107m on improved pricing across key channels
- Working capital changes \$5m unfavourable to FY20 due to the increased value of gas inventory and additional purchase of carbon in the period, including exercising the final fixed price option for carbon surrender in May 2021
- Capital expenditure (cash) \$61m in FY21, \$10m more than FY20 due to statutory geothermal outage programme and initial payments for SAP upgrade programme

SIB capital expenditure – accounting (\$m)



Sources and uses of cash (\$m) FY21

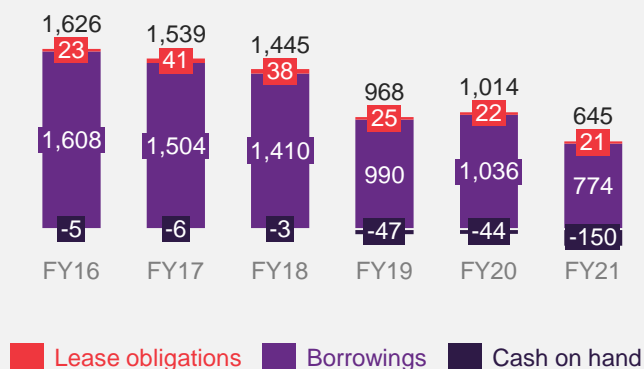


Robust balance sheet.

Diverse debt portfolio with green certification. Capacity to fund renewable generation projects.

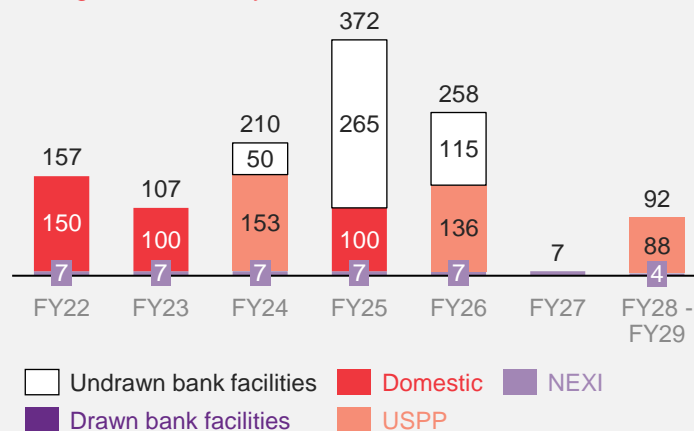
Closing net debt (\$m)

Face value of borrowings less cash



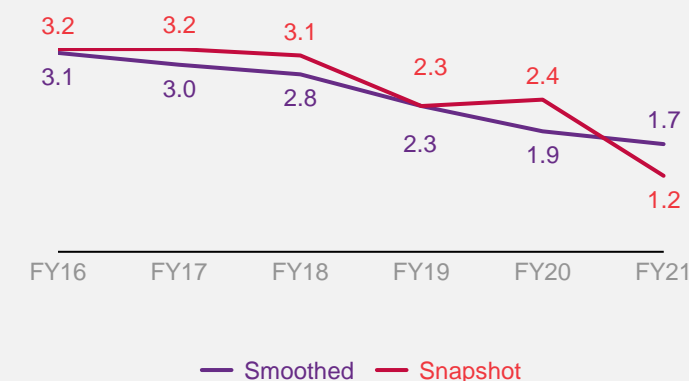
Borrowing maturities (\$m)

Average tenor of 3.3 years as at 30 June 2021



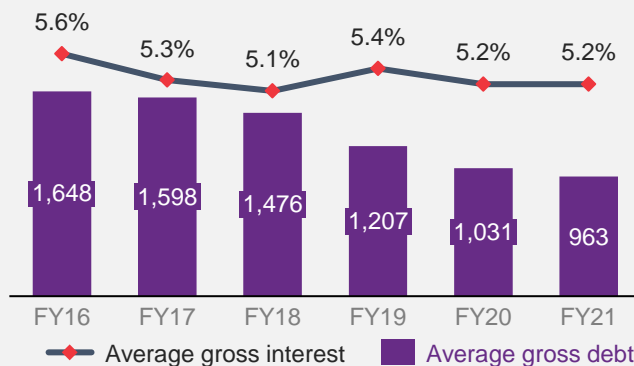
Net debt to EBITDAF (x)

Includes S&P adjustments (prior to FY20 AGS was treated as a lease)



Interest rate (%)

Weighted average gross interest¹ on average borrowings

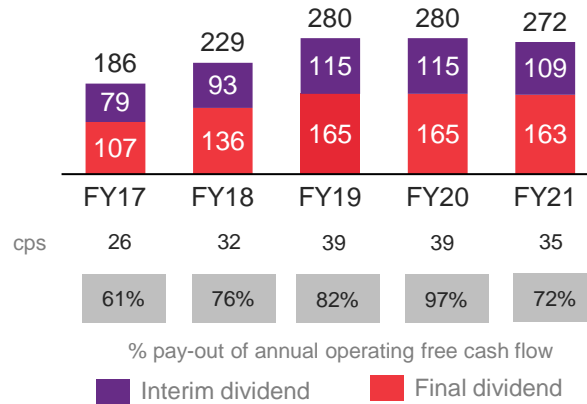


- Face value borrowings (excl. leases) decreased by \$262m to \$774m from 30 June 2020. The decrease is due to the inflow from the \$400m equity raise in February 2020 less surplus held as cash.
- Net debt has reduced by \$981m since the end of FY16. Gearing decreased to 22.6% at 30 June 2021, down from 31.4% at 30 June 2020.
- Average interest rate on gross debt has remained flat due to the repayment of more flexible, lower cost floating rate debt with the proceeds from the equity raise offsetting the lower rate environment.
- A credit rating of BBB (net debt / EBITDAF <2.8x) continues to be targeted.
- All bank facilities have now been converted to sustainability linked loans, and all our debt instruments are certified green.

1. Gross interest includes all interest on borrowings, bank commitment fees and deferred financing costs. Unwind of leases, provisions and capitalised interest not included.

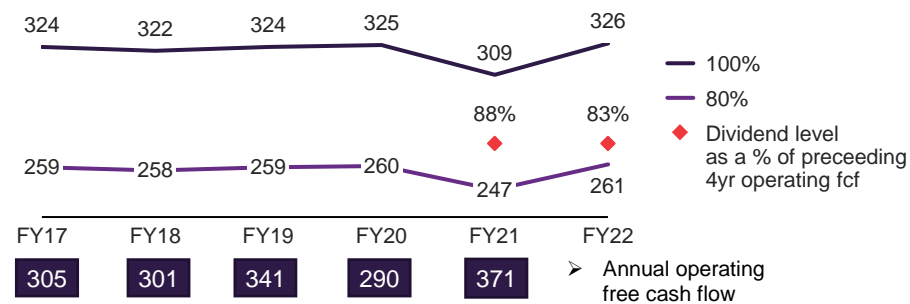
Dividend for FY21 in line with performance

Ordinary dividends (\$m) Declared



Operating free cash flow

Average operating cash flow for the preceding four financial years



Dividend policy range: 80-100% of average operating free cash flow for the preceding four years

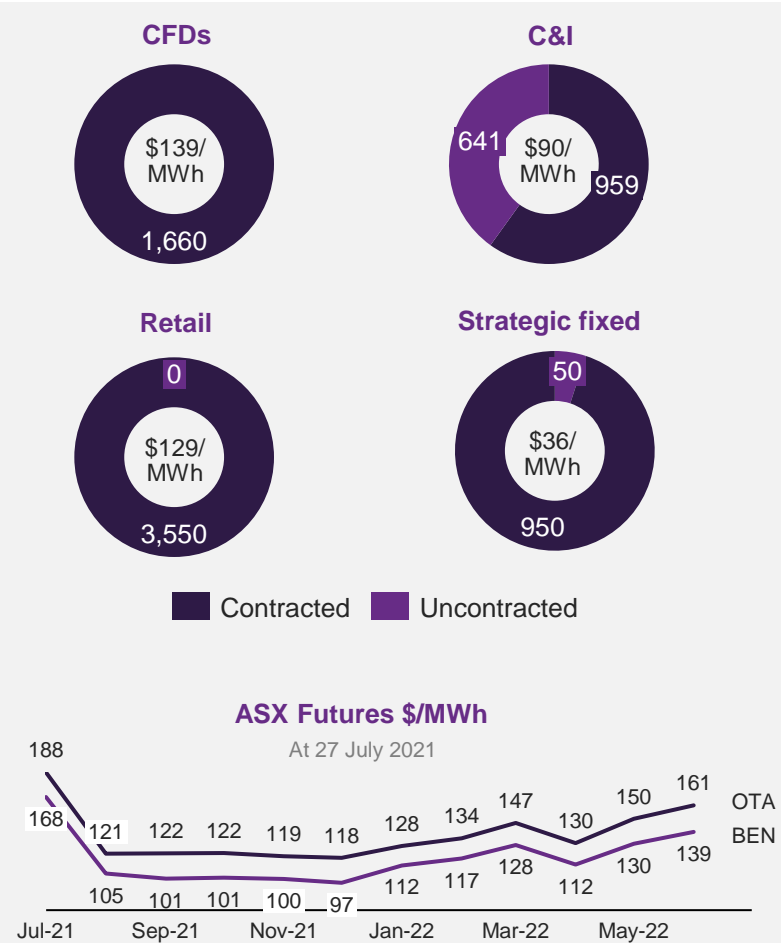
Dividend for FY21 of 35 cents per share

- Final dividend of 21 cents per share is imputed to 67% or 14 cents per share for qualifying shareholders. This represents a pay-out of 72% of FY21 operating free cash flow and 88% of the operating free cash flow over the preceding 4 financial years (FY17-FY20)
- Record date of 27 August 2021; payment date of 15 September 2021.
- The NZD/AUD exchange rate used for the payment of Australian dollar dividends will be set on 02 September 2021.

Dividend reinvestment plan

- Shareholders will have the option of full, partial or no participation. If a shareholder elects to participate they will remain in the plan at the same participation level until they elect to terminate or amend their participation level.
- There will be no discount offered for the FY21 final dividend and Contact will have the right to terminate or suspend the plan at any time.
- Dividend reinvestment plan (DRP) forms must be in by 30 August 2021 to confirm participation in the plan.
- Trading period for setting price for DRP is 26 August 2021 to 01 September 2021. DRP strike price will be announced: 02 September 2021

Normalised and expected FY22 EBITDAF assumptions



FY assumptions that deliver expected & normalised EBITDAF for FY22

1 Channel choices maximise long term value ¹		X	2 Net price ² driven by best commercial practices		=	Total
Strategic fixed price	1,000GWh	x	\$38/MWh	=	\$38m	
CFDs	1,660GWh	x	\$139/MWh	=	\$231m	
C&I	1,600GWh	x	\$104/MWh	=	\$166m	
Retail	3,550GWh	x	\$129/MWh	=	\$458m	
Other income ³					\$50m	
						\$943m
3 Hydrology & Asset availability optimise generation		X	4 Access to and price of fuel* drives financials & risk position		=	Total
					=	
Hydro mean	3,900GWh	x	\$0/MWh	=	-\$0m	
Geothermal average	3,250GWh	x	\$2/MWh	=	-\$7m	
Thermal	800GWh	x	\$123/MWh ⁴	=	-\$98m	
Acquired	300GWh	x	\$131/MWh	=	-\$39m	
						-\$144m
5 Trading delivers value to more than offset locational losses			6 Digitalisation & continuous improvement optimise fixed costs			
Length ⁵	\$58m		Transmission/Storage			-\$60m
Location losses ⁶	-\$57m		Operating expenses			-\$220m
Total	\$1m		Total			-\$280m

943

Net Revenue

1

Trading

-144

Fuel cost

-280

Fixed costs

1. All volumes are at the Grid Exit Point (GXP)
2. Net price is equal to tariff less pass-through costs (network, meters and levies) /MWh

3. Steam sales, retail gas gross margin, other income
4. Gas price of \$8.4/GJ, carbon price of \$37/unit and thermal portfolio heat rate (11.4GJ/MWh)

5. Length of 440GWh p.a. assumed
6. Locational losses of 5.6% on spot purchases and settlement of CFDs sold at a wholesale price of \$125/MWh

Strong delivery in FY21.

Capability and capacity to be added in FY22.

	FY21 Guidance	Result	FY22 Guidance	Guidance commentary
Other operating costs	\$200 – 210m	\$211m	\$215-225m	Additional capacity and capability added to accelerate the delivery of the strategy. SIB capex will support higher asset availability and output as well as a SAP systems upgrade
Stay in business capital expenditure (cash)	\$55 – 60m	\$61m	\$95-105m	
Cash spend ('Totex')	\$255 – 270m	\$272m	\$310 – 330m	
Depreciation and amortisation	\$215 – 225m	\$249m	\$265 – 275m	Accelerated depreciation on thermal assets in line with expected useful lives and decarbonisation goals
Net interest (accounting)	\$45 – 50m	\$50m	\$30 – 40m	
Cash interest (in operating cash flow)	\$40 – 45m	\$43m	\$20 – 30m	
Cash taxation	\$75 – 85m	\$79m	\$85 – 95m	Taxation paid up to reflect strong FY21 financial performance
Corporate costs	-	\$30m	\$33m	ICT costs previously included in Customer now in Corporate
Target ordinary dividend per share	35 cps	35 cps	35 cps	Pay-out in line with dividend policy
Geothermal volumes	3,100GWh	3,114GWh	3,250 GWh	Minor geothermal safety programme outage

Progress on Strategy



Mike Fuge, CEO & Dorian Devers, CFO

Contact 26 > Our strategy to lead NZ's decarbonisation

Strategic theme

Objective



Grow demand

Attract new industrial demand with globally competitive renewables



Grow renewable development

Build renewable generation and flexibility on the back of new demand



Decarbonise our portfolio

Lead an orderly transition to renewables



Create outstanding customer experiences

Create NZ's leading energy and services brand to meet more of our customers' needs

Enablers

ESG: create long-term value through our strong performance across a broad set of environmental, social and governance factors

Operational excellence: continuously improving our operations through innovation and digitisation

Transformative ways of working: create a flexible and high-performing environment for New Zealand's top talent

Outcomes

Growth

Pivot our business to a new growth era that captures the value unlocked by decarbonisation

Resilience

Deliver sustainable shareholder returns, aligned with our ESG commitment

Performance

Realise a step-change in performance, materially growing EBITDAF through strategic investments

Contact 26 > We have set ambitious measures of success across our strategic themes



Grow demand



Grow renewable development



Decarbonise our portfolio



Create outstanding customer experiences

Metrics & measures

Senior in-house capability to support industry electrification partnerships by 2021

100 MW of new commercial and industrial demand by 2025

Identified 300+ MW of market-backed demand opportunities in the lower SI by end of 2024 (e.g., hydrogen)

Tauhara online by mid 2023

Final investment decision on next renewable build (Wairākei, wind, and/or solar) by 2024

Decision on North Island battery by end of 2023, for delivery in 2024

100 MW demand response capacity by 2025

Complete thermal review in 2021, and executed by the end of 2022

TCC decommissioned by end of 2023

Reduce Scope 1 and 2 GHG emissions 45% compared to 2018 baseline by 2026²

Top 10 'most trusted retailer' by 2025¹

650,000 customer connections by 2025

Cost to serve (CTS) < \$120 per connection

75% of customer interactions through digital channels

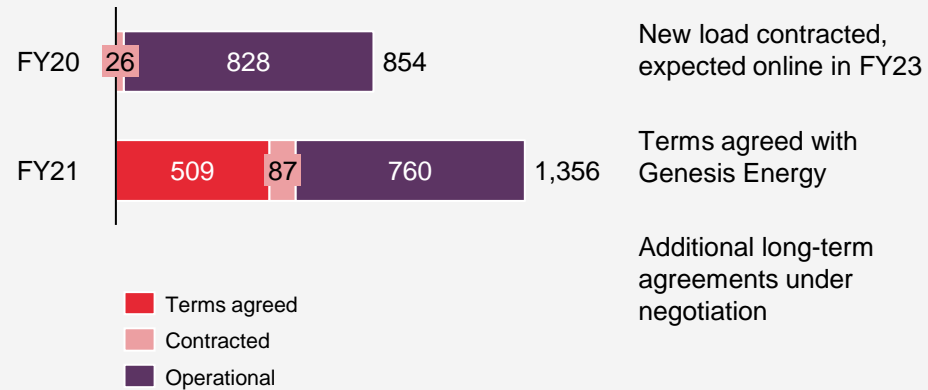
1. As per Colmar Brunton Rep Track report, 2021 ranked 44th
2. Science Based Targets Initiative (Sbti) target at 1.5 degrees.

Contact 26 > Tracking to targets

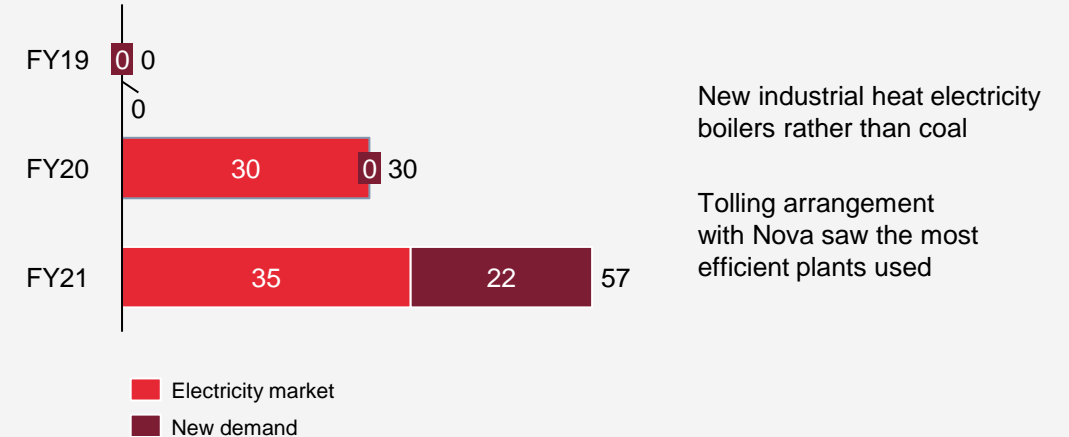


Grow demand

Demand backed by strategic fixed price PPA (GWh)



Avoided carbon emissions (kTC02e)

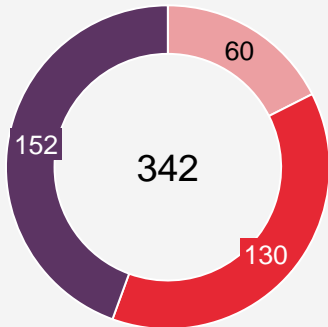


Contact 26 > Tracking to targets



Grow renewable development

New geothermal development (MW)



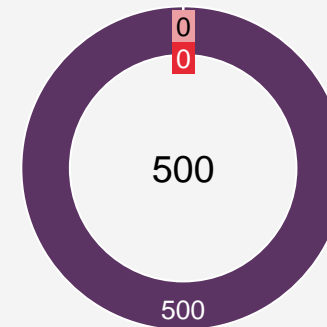
Consenting Underway
Consented
Under development

Consenting for increased generation on the Wairakei field (incremental to current position)

Tauhara stage 1 under development. Field is more productive than envisaged.

Look to secure additional geothermal consents on operational fields

New wind and solar development (MW)



Land access
Consenting underway
Consented

Land access agreements signed for up to 500MW of wind generation potential

Assessment phase to follow

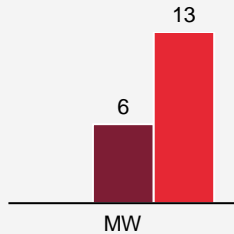
Consenting underway in FY22

Contact 26 > Tracking to targets



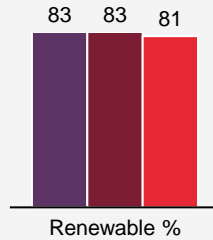
Decarbonise our portfolio

Demand flex



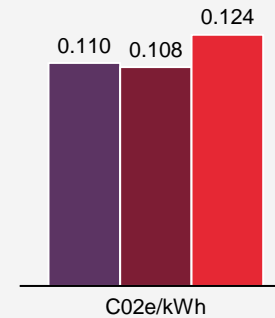
Strong growth in our demand flex proposition – lowered the install cost and increased the sales network

Renewable generation

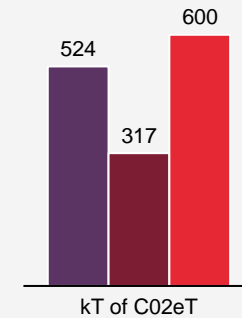


Expect renewable generation % to grow with investment and higher thermal fuel costs

Scope 1 and 2 greenhouse gas (GHG) intensity



Scope 3 emissions



■ FY19 ■ FY20 ■ FY21

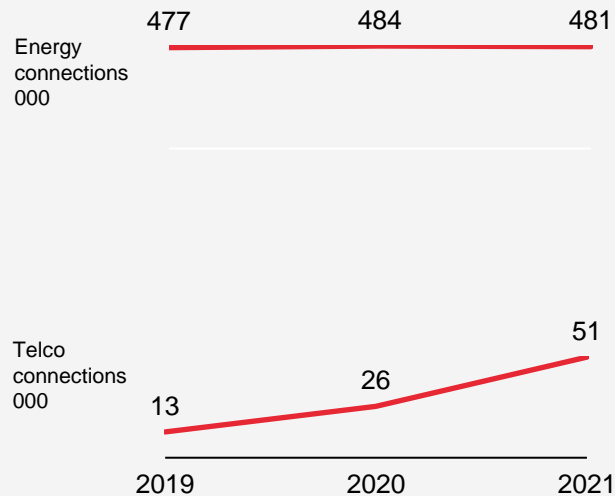
Scope 3 emission higher as Contact called generation under the swaption arrangement with Genesis which was run higher

Contact 26 > Tracking to targets



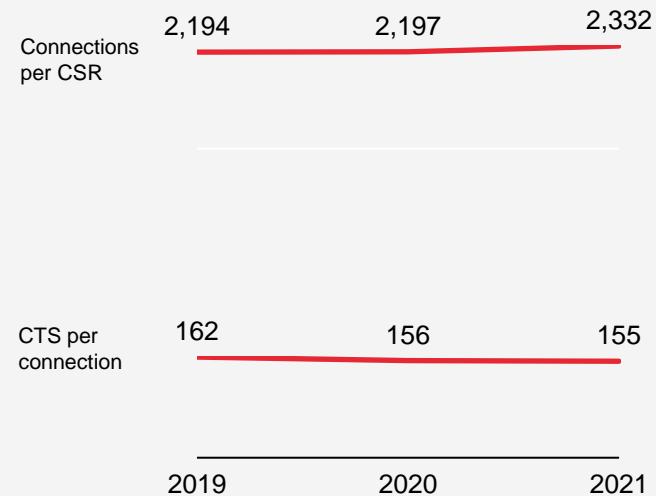
Create outstanding customer experiences

Growth



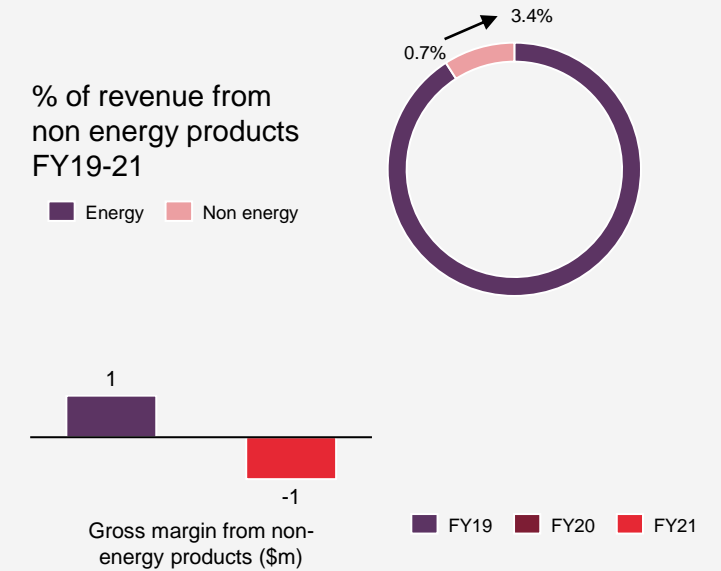
Continue to grow telco customer connections
Protecting the core energy base in a rising energy cost environment
Prepare to launch new complementary products

Efficiency



Continue to invest in data and digital journeys for our customers and people to improve experience and efficiency

Value



Broadband gross margin positive from FY22

Our operational plan: What you can expect in the next 18 months

Strategic theme



Grow Demand



Grow renewable development



Decarbonise our portfolio



Create outstanding customer experiences

H1-FY22

Hydrogen registration of interest followed by request for proposals
Advance data centre partnerships
Engage on industrial electrification

Build Tauhara
Prepare further geothermal consents
Secure solar partnership or add capability

Complete thermal review and design principles for structure
Engage 3rd party to structure 'ThermalCo'

Launch time of use offer, with extension into EVs
Implications of sale of Trustpower retail to Mercury
Customer technology upgrade

H2-FY22

Assess hydrogen position
Build data centres
Lock in major industrial user electrification

Build Tauhara
Further geothermal consenting
Secure and consent wind sites

Align future-state thermal structure
Agree structure with owners and regulators
Execute 'ThermalCo' and buy back PPAs

Pilot launch of wireless broadband
Investigate data driven energy monitoring commercial models
Customer technology upgrade (cont.)

H1-FY23

Develop hydrogen option
Data centres online
Commence boiler electrification

Complete Tauhara
Tauhara phase II consent
Secure solar consents
Complete battery feasibility

Prepare for end of TCC scheduled hours

Pilot complementary products
Customer technology upgrade (cont.)



Questions

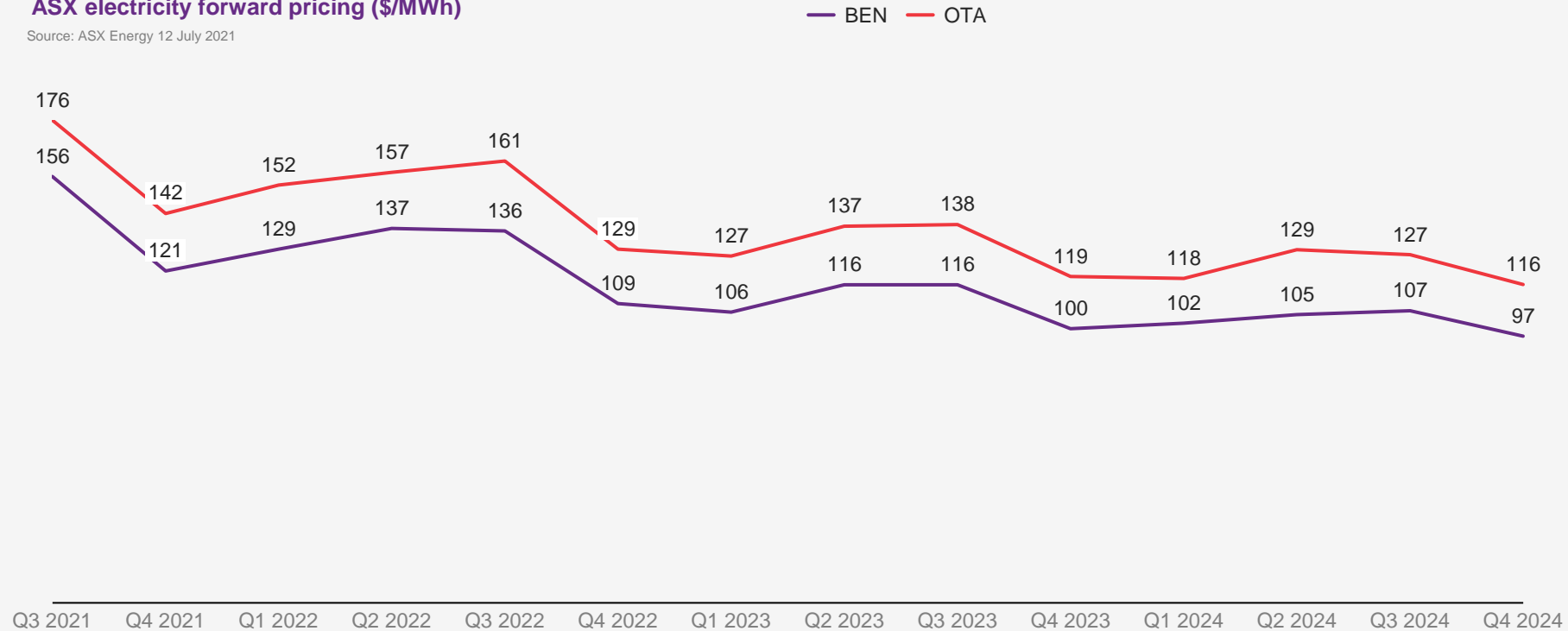
Supporting materials



ASX futures pricing in fuel risk over the next 12 months

ASX electricity forward pricing (\$/MWh)

Source: ASX Energy 12 July 2021

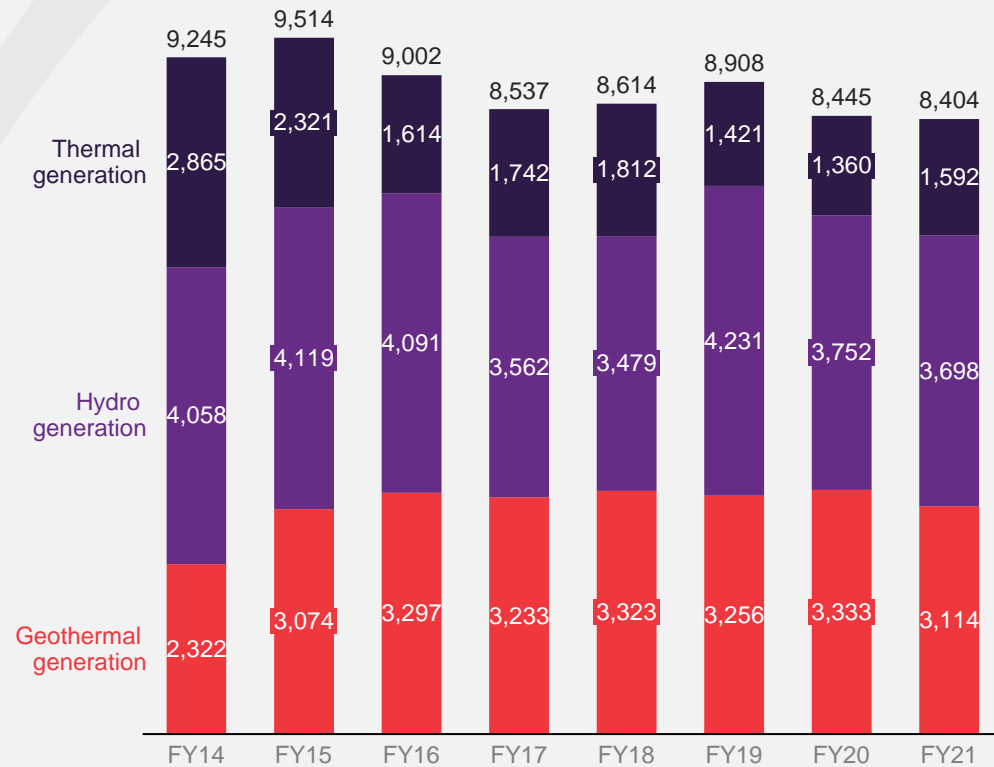


Greenhouse gas emissions

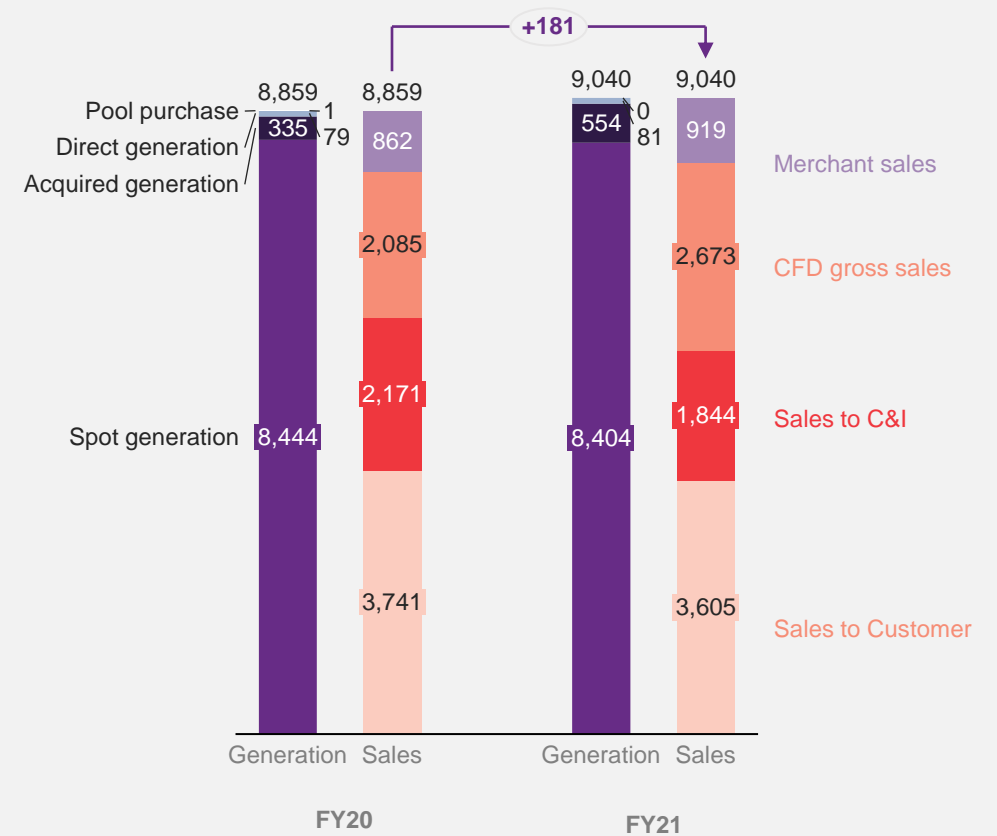
Indicator	Unit	Target	FY19	FY20	FY21
Direct GHG emissions (Scope 1)	tC02e		985,905	920,403	1,044,893
- Stationary combustion	tC02e	45% reduction of 2018 Scope 1 and 2 emissions by 2026 (Absolute emissions reduction target)	984,903	920,403	1,044,536
- Mobile combustion	tC02e		880	270	270
- Mobile combustion – Simply Energy	tC02e				20
- Mobile combustion – Western Energy	tC02e				38
- Fugitive emissions	tC02e		122	4	29
Indirect GHG emissions (Scope 2)	tC02e		1,374	1,258	1,230
Sub-total Scope 1 and 2	tC02e	647,443	987,279	921,935	1,046,122
Indirect GHG emissions (Scope 3)	tC02e	259,118	524,314	317,384	600,389
- Category 1 – Purchased goods and services	tC02e	30% reduction of 2018 Scope 3 GHG emissions from use of sold products by 2026.	35,267	39,397	63,296
- Category 2 – Capital goods	tC02e		6,536	18,052	40,521
- Category 3 – Fuel and energy	tC02e		175,811	91,857	330,202
- Category 4 - Upstream distribution and transportation	tC02e		628	14	26
- Category 5 – Waste	tC02e		148	123	121
- Category 6 – Business travel	tC02e		1,256	719	258
- Category 7 – Employee commuting	tC02e		514	606	306
- Category 11 – Use of sold products	tC02e		301,640	166,310	165,259
- Category 13 – Downstream leased assets	tC02e		445	306	399
- Category 14 – Franchise	tC02e		2,069		
Total Scope 1,2 and 3 emissions	tC02e	906,561	1,511,081	1,239,319	1,646,511

Generation and sales position

Contact generation output sold to the national grid (GWh)

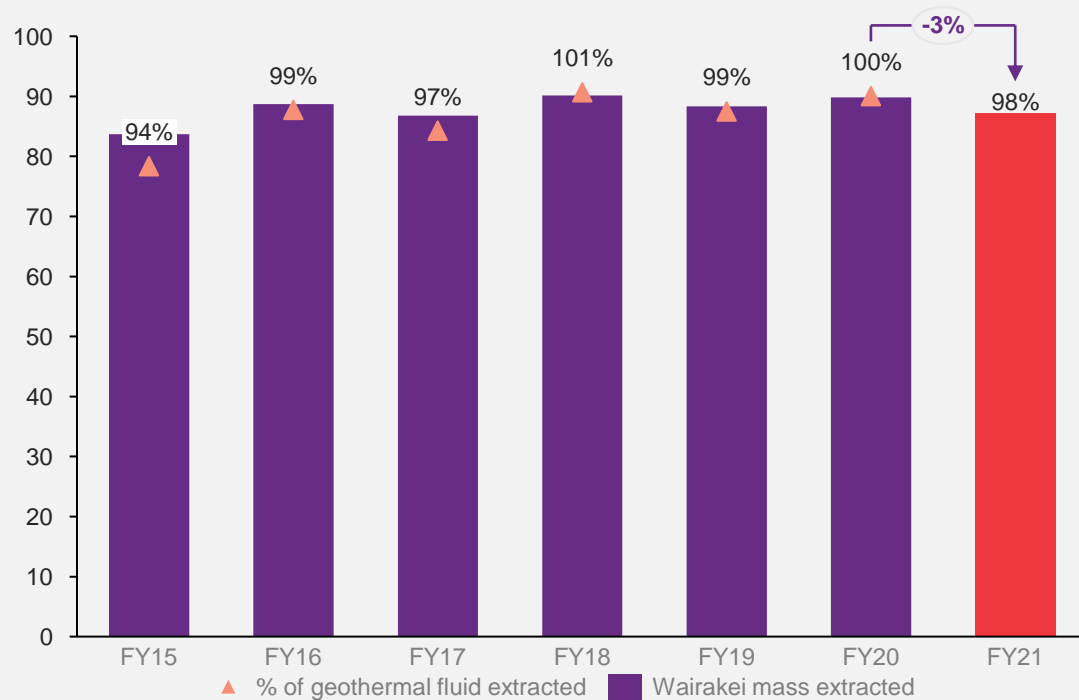


Electricity and generation sales position (GWh)



Wairākei geothermal field mass take and efficiency

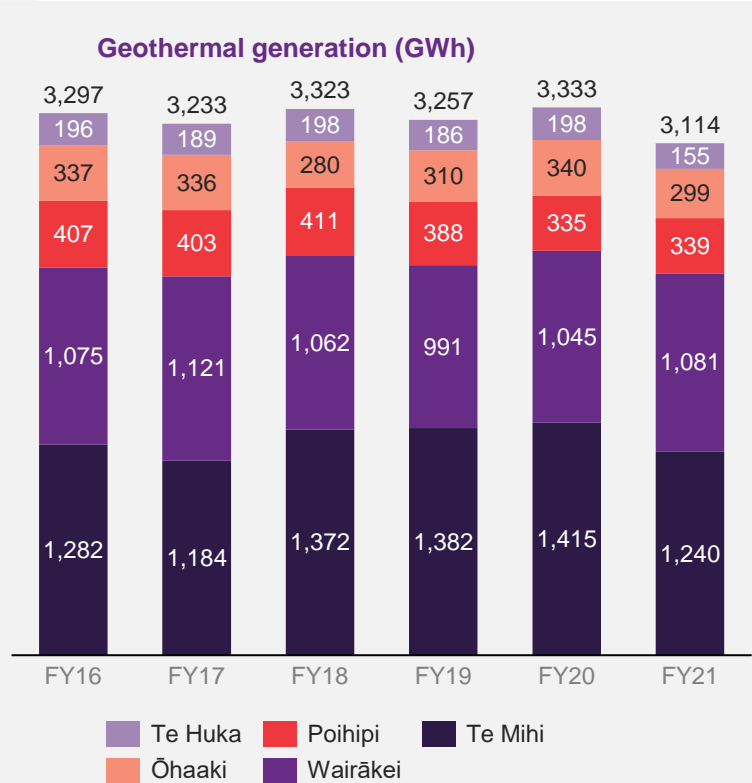
Geothermal fuel extracted at Wairākei vs consented (GWh)



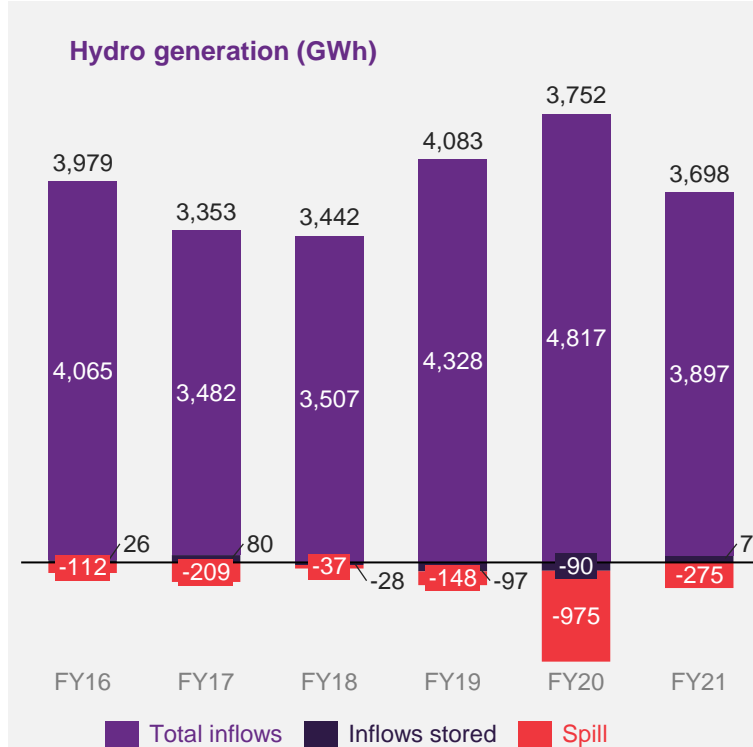
Wairākei, Poihipi and Te Mihi conversion effectiveness (MWh per kT extracted)



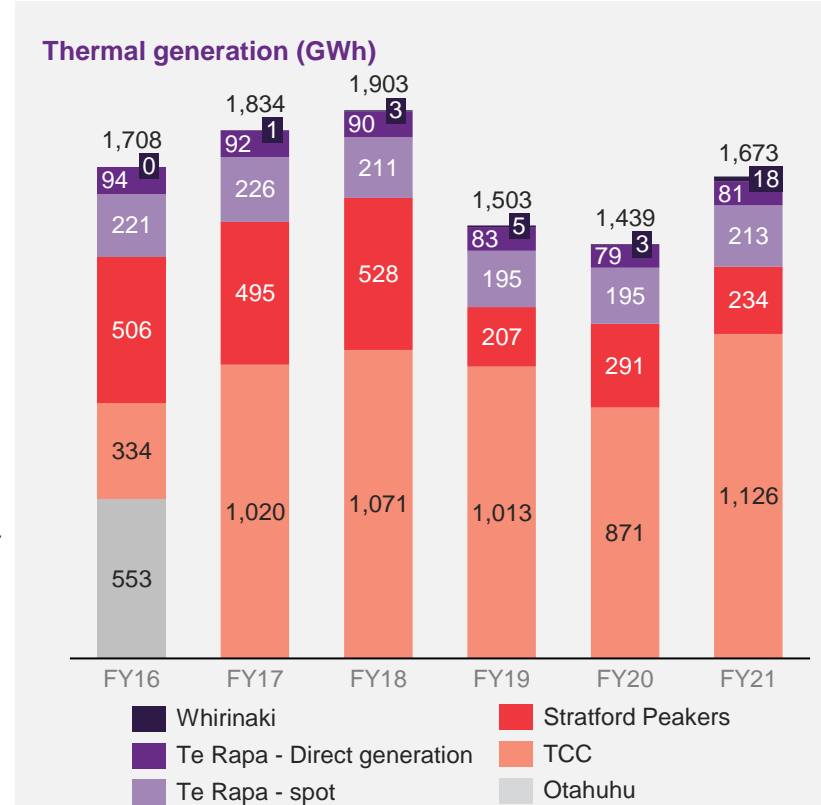
Generation volumes: renewable generation down by 4% on FY20



Geothermal generation was 219GWh lower than FY20 following the 4-yearly statutory Te Mihi outage in the period and an extended outage required on process safety improvements required at the Te Huka binary plant.



Hydro generation was 202GWh below mean (3,900GWh) in FY21, 53GWh lower than FY20.



Thermal generation volumes were 235GWh higher than FY20 as a result of the arrangement to toll gas from Nova Energy (FY20: 239GWh, FY21: 278GWh)

Plant availability

Hydro

	Net capacity (MW)	Availability (%)	Capacity factor (%)	Electricity output (GWh)	Pool revenue (\$/MWh)	Pool revenue (\$m)
FY17	784	92%	52%	3,562	47	169
FY18	784	95%	51%	3,479	78	271
FY19	784	97%	62%	4,231	123	521
FY20	784	92%	54%	3,752	90	338
FY21	784	84%	54%	3,698	167	617

Geothermal

	Net capacity (MW)	Availability (%)	Capacity factor (%)	Electricity output (GWh)	Pool revenue (\$/MWh)	Pool revenue (\$m)
FY17	429	91%	86%	3,233	55	177
FY18	425	96%	89%	3,323	80	267
FY19	425	92%	87%	3,256	133	434
FY20	425	95%	89%	3,333	99	330
FY21	425	89%	84%	3,114	175	546

Taranaki combined cycle (TCC)

	Net capacity (MW)	Availability (%)	Capacity factor (%)	Electricity output (GWh)	Pool revenue (\$/MWh)	Pool revenue (\$m)
FY17	377	90%	31%	1,021	64	65
FY18	377	68%	32%	1,071	102	110
FY19	377	63%	31%	1,031	115	117
FY20	377	88%	26%	870	120	104
FY21	377	89%	34%	1,126	193	217

Peakers (including Whirinaki)

	Net capacity (MW)	Availability (%)	Capacity factor (%)	Electricity output (GWh)	Pool revenue (\$/MWh)	Pool revenue (\$m)
FY17	360	95%	16%	495	73	36
FY18	360	87%	17%	530	116	62
FY19	360	79%	7%	212	192	41
FY20	360	88%	9%	295	162	48
FY21	360	92%	8%	249	230	54

Te Rapa (spot generation only)

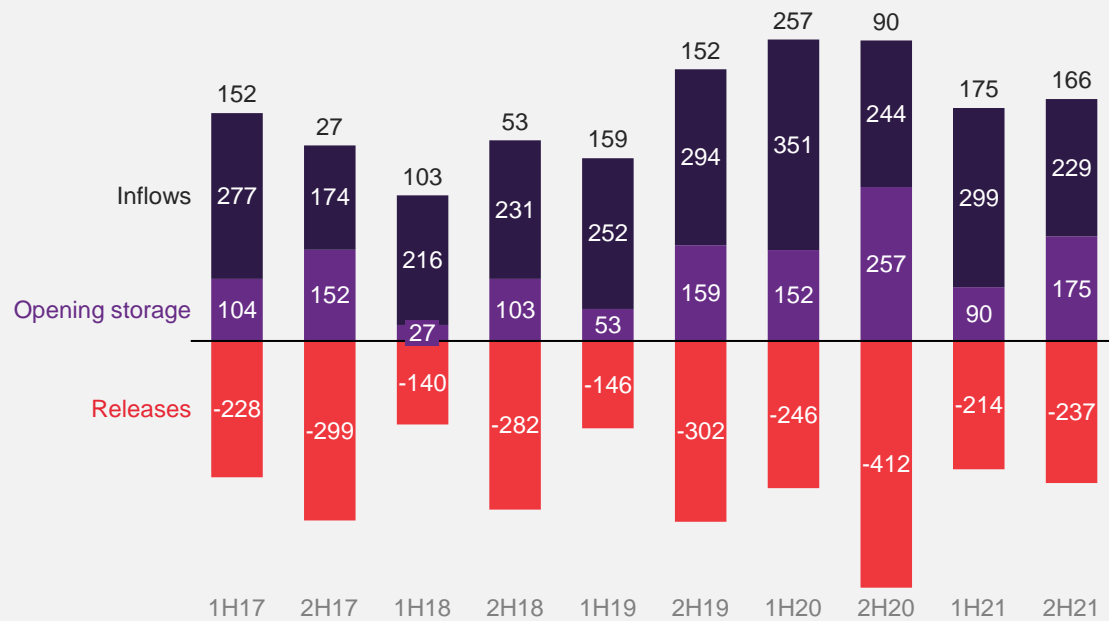
	Net capacity (MW)	Availability (%)	Capacity factor (%)	Electricity output (GWh)	Pool revenue (\$/MWh)	Pool revenue (\$m)
FY17	41	98%	63%	226	58	13
FY18	41	87%	59%	211	94	20
FY19	41	96%	54%	195	160	31
FY20	41	98%	51%	184	106	21
FY21	41	93%	58%	208	174	37

Availability Factor calculation includes all station outages (Planned, Maintenance, Forced) but does not consider deratings.

Fuel storage movements

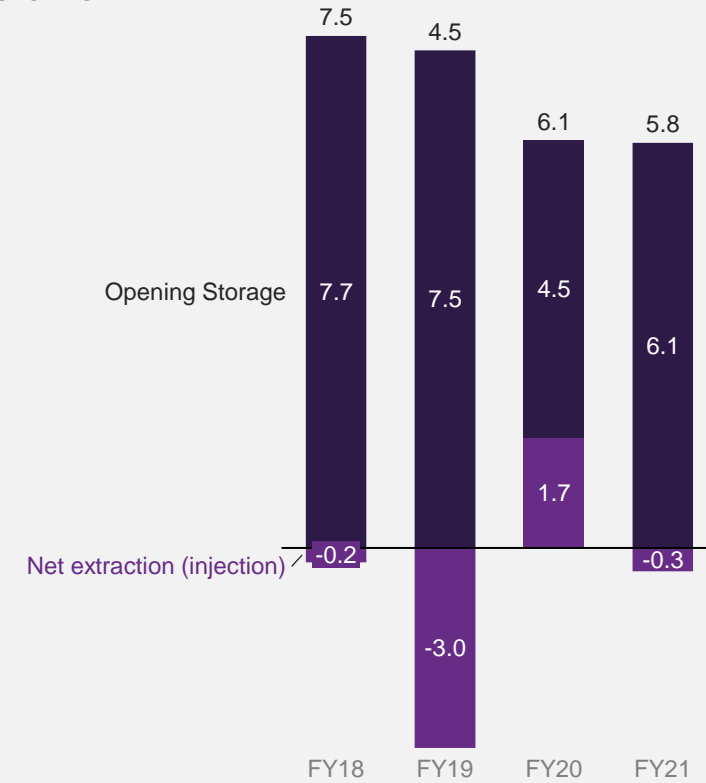
Hawea storage (GWh)

CLOSING STORAGE



Gas storage (PJ)

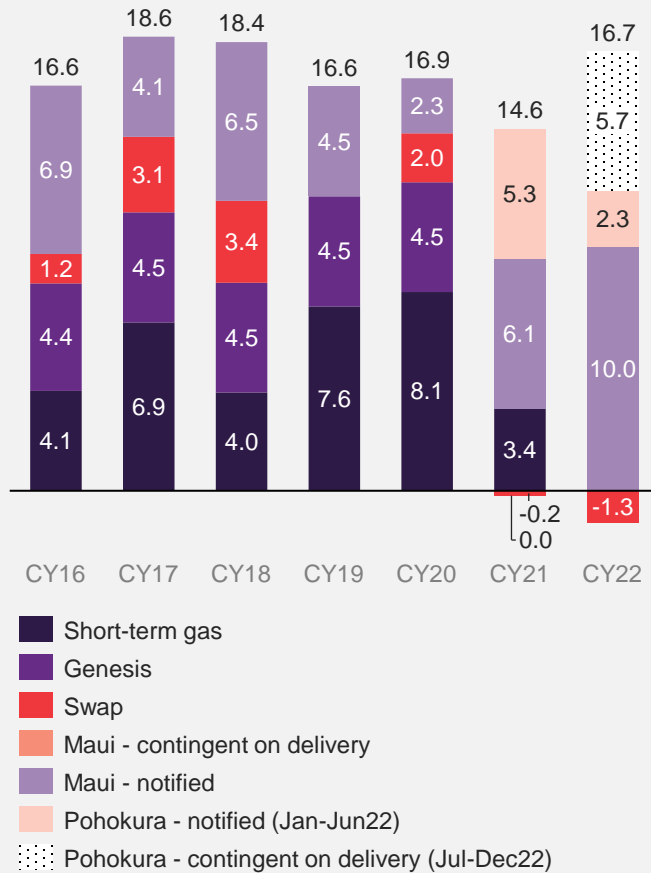
CLOSING STORAGE



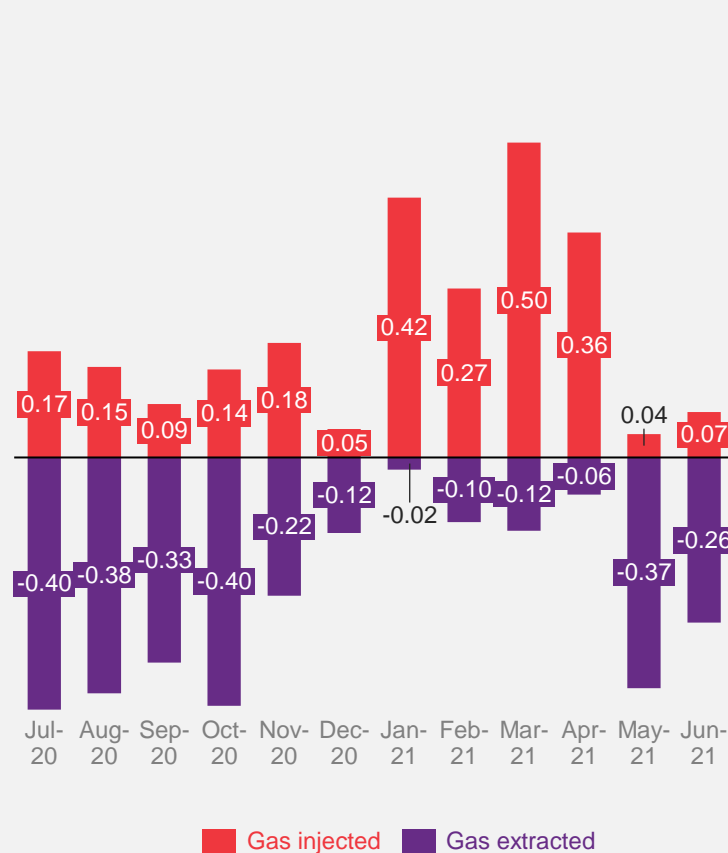
Source: NZX hydro

Contracted and stored gas

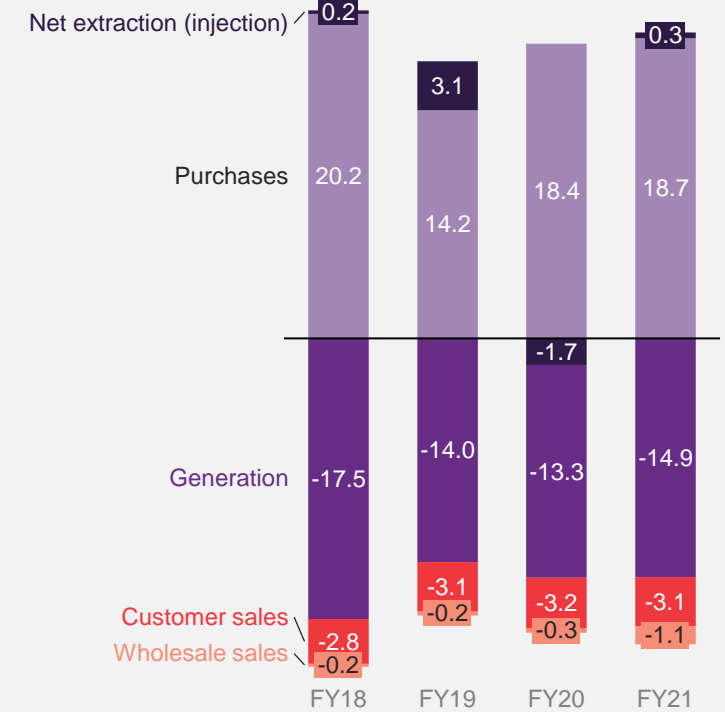
Contracted gas volumes (PJ)



Gas storage monthly injections and extractions (PJ)



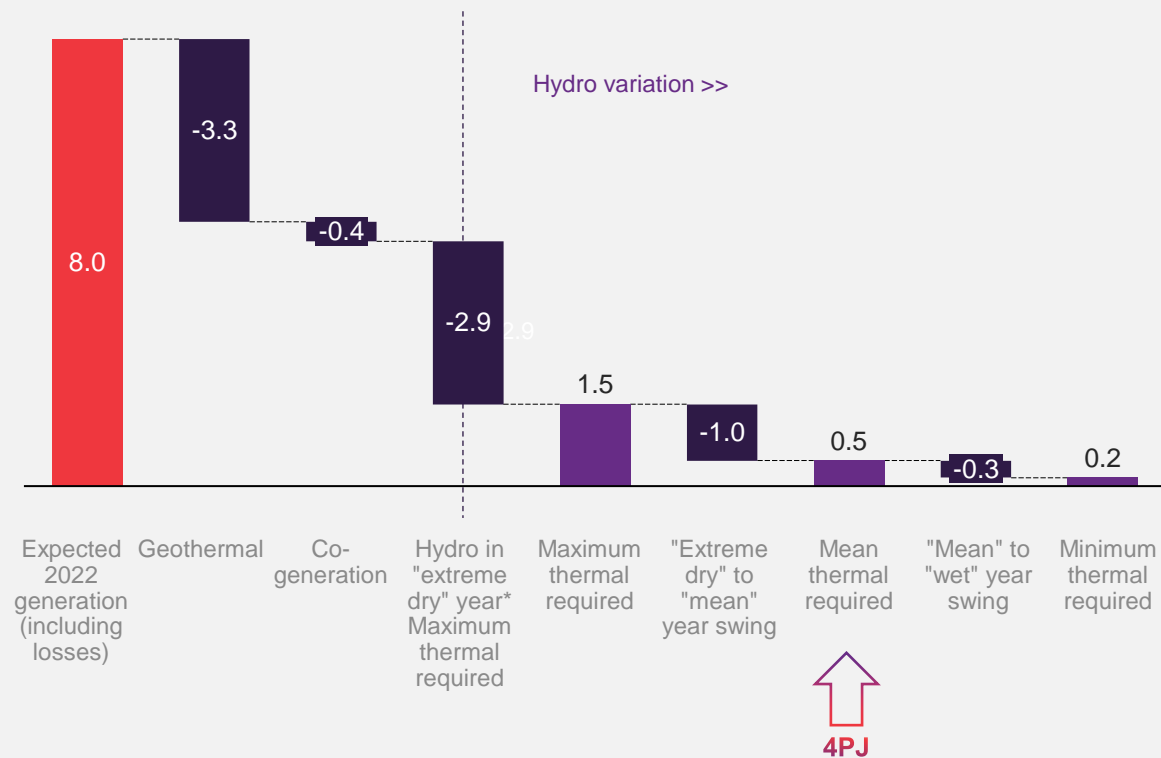
Uses of gas (PJ)



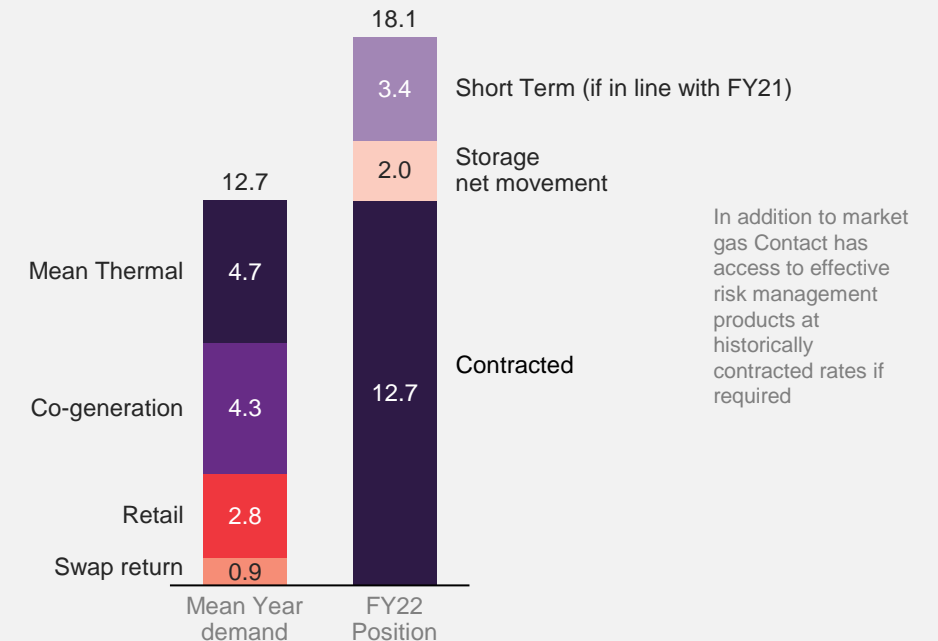
Storage balance at 31 December 2020 was 5.0PJ

Contractual fuel position impacted by gas availability issues

Portfolio requirements for thermal generation (TWh)



Gas supply and demand FY22 (PJ)



Reconciliation between Profit and EBITDAF

- EBITDAF is Contact's earnings before interest, tax, depreciation and amortisation, and changes in fair value of financial instruments.
- EBITDAF is commonly used in the electricity industry so provides a comparable measure of Contact's performance.
- Reconciliation of statutory profit back to EBITDAF:

	12 months ended 30 June 2021	12 months ended 30 June 2020	Variance on prior year	
			\$m	%
Profit	187	125	62	50%
Depreciation and amortisation	249	220	(29)	(13%)
Change in fair value of financial instruments	(7)	-	(7)	700%
Net interest expense	50	55	5	8%
Tax expense	74	46	(28)	(61%)
EBITDAF	553	446	107	24%

- Depreciation and amortisation, change in fair value of financial instruments, net interest and tax expense are explained on the right.

The adjustments from EBITDAF to reported profit and movements on FY20 are as follows:

- **Depreciation and amortisation:** Increased by \$29m (13%) on FY20 primarily resulting from the review of Ōhaaki plant, Wairākei and TCC opening hours.
- **Net interest expense:** Reduced by \$5m (8%) over FY20 lower average borrowings post equity raise and coupled with lower interest rate as well as the capitalisation of interest relating to the Tauhara geothermal project (FY21 \$8m), a \$2m increase against FY20.
- **Tax expense** for the period was \$28m up following higher operating earnings with higher depreciation partially offset by lower net interest expense. Tax expense for FY21 represents an effective tax rate of 28%. The effective tax rate for FY20 was 27%.

Historical financial information

	Unit	FY17	FY18	FY19	FY20	FY21
Revenue	\$m	2,079	2,275	2,519	2,073	2,573
Expenses	\$m	1,578	1,794	2,001	1,622	2,020
EBITDAF	\$m	501	481	518	446	553
Profit/(loss)	\$m	151	132	345	125	187
Profit per share - basic	cps	21.0	18.4	48.2	17.5	25.3
Operating free cash flow	\$m	305	301	341	290	371
Operating free cash flow per share	cps	42.6	42	47.5	40.4	50.2
Dividends declared ¹	cps	26	32	39	39	35
Dividends paid	\$m	186	201	251	280	274
Total assets	\$m	5,455	5,311	4,954	4,896	5,028
Total liabilities	\$m	2,677	2,584	2,172	2,275	2,101
Total equity	\$m	2,778	2,727	2,782	2,621	2,927
Gearing ratio	%	36	35	28	31	23

Wholesale segment

	FY21 Twelve months ended 30 June 2021			FY20 Twelve months ended 30 June 2020			Reference number for Wholesale segment note (see following page)
Note: this table has not been rounded and might not add	Volume GWh	GWAP \$/MWh	\$m	Volume GWh	GWAP \$/MWh	\$m	
Electricity sales to Customer	3,605	93.7	338	3,741	88.8	332	1
Electricity sales to C&I (netback)	1,762	82.3	145	2,092	80.3	168	2
Electricity sales – Direct	81	111.1	9	79	105.1	8	
Electricity sales to C&I	1,844	83.6	154	2,171	81.2	176	3
CfDs – Tiwai support	734			828			
CfDs - Long term sales	531			581			
CfDs - Short term sales	1,408			676			
Electricity sales - CFDs	2,673	109.7	293	2,085	72.9	152	
Total contracted electricity sales	8,121	96.7	785	7,997	82.6	661	
Steam sales	645	43.7	28	544	47.6	26	4
Other income			5			0	5
Net income on gas sales			2			1	6
Net income on electricity related services			1			2	7
Net other income			16			2	
Total contracted revenue (1)	8,766	93.4	821	8,540	80.6	689	
Generation costs	8,486	(38.3)	(316)	8,523	(31.2)	(266)	8
Acquired generation cost	554	(116.8)	(65)	335	(113.9)	(38)	9
Generation costs (including acquired generation) (2)	9,040	(43.1)	(381)	8,858	(34.3)	(304)	
Spot electricity revenue	8,404	176.4	1,482	8,444	99.7	842	10
Settlement on acquired generation	554	207.6	115	335	115.4	39	11
Spot revenue and settlement on acquired generation (GWAP)	8,959	178.3	1,597	8,779	100.3	880	
Spot electricity cost	(5,367)	(185.9)	(998)	(5,833)	(109.0)	(636)	12
Settlement on CFDs sold	(2,673)	(191.3)	(511)	(2,085)	(97.8)	(204)	13
Spot purchases and settlement on CFDs sold (LWAP)	(8,040)	(187.7)	(1,509)	(7,918)	(106.0)	(840)	
Trading, merchant revenue and losses (3)			88			41	
Wholesale EBITDAF (1+2+3)			527			426	

Wholesale segment key

	Wholesale segment	Reference to detailed operating segment performance	Comment
Revenue	C&I electricity – Fixed Price	2	
	C&I electricity – Spot	2-spot	Spot sales are regarded as a pass-through and not reflected in performance reporting, any margin included in C&I netback
	Wholesale electricity, net of hedging	3 + 10 + 13	
	Electricity related services revenue	7	
	Inter-segment electricity sales	1	
	Gas	6	Revenue from wholesale gas sales, purchase cost in gas and diesel purchases
	Steam	4	
	Other income	5	
Costs	Electricity purchases, net of hedging	9 + 11 + 12	
	Electricity purchases – Spot	2-spot	Spot sales are regarded as a pass-through
	Electricity related services cost	7	
	Gas and diesel purchases	8 (less costs identified relating to 6)	Includes wholesale gas sales purchases (if any)
	Gas storage costs	8	
	Carbon emissions	8	
	Generation transmission and reserve costs	8	
	Electricity networks, transmission and meter costs – Fixed Price	2	
	Electricity networks, transmission and meter costs – Spot	2-spot	Spot sales are regarded as a pass-through
	Gas networks, transmission and meter costs	8	
	Other operating expenses	8 (less costs identified relating to 2)	C&I operating costs are included in the calculation of netback (2) and are excluded from generation operating costs

Customer segment

Residential electricity	unit	FY18	FY19	FY20	FY21
Average connections	#	359,171	353,105	355,073	357,117
Sales volumes	GWh	2,549	2,491	2,532	2,520
Average usage	per ICP	7.1	7.1	7.1	7.1
Tariff	\$/MWh	250.1	251.7	250.4	253.4
Network, meters and levies	\$/MWh	-122.4	-122.1	-118.8	-113.5
Energy costs	\$/MWh	-86.7	-89.5	-94.8	-100.2
Gross margin	\$/MWh	41.0	40.2	36.8	39.7
Gross margin	\$ per ICP	291	283	262	280
Gross margin	\$m	104	100	93	100

SME electricity	unit	FY18	FY19	FY20	FY21
Average connections	#	57,309	55,020	55,033	49,679
Sales volumes	GWh	1,099	1,042	991	860
Average usage	per ICP	19.2	18.9	18.0	17.3
Tariff	\$/MWh	224.1	226.8	229.3	231.7
Network, meters and levies	\$/MWh	-108.0	-111.9	-114.5	-106.4
Energy costs	\$/MWh	-84.8	-87.7	-93.0	-99.3
Gross margin	\$/MWh	31.3	27.2	21.8	26.1
Gross margin	\$ per ICP	599	516	393	451
Gross margin	\$m	34	28	22	22

Customer EBITDAF		FY18	FY19	FY20	FY21
Electricity Gross margin	\$m	139	128	115	123
Gas Gross Margin	\$m	15	14	9	9
Broadband Gross Margin	\$m	0	1	0	-0.8
Total Gross Margin	\$m	154	144	125	131
Other income	\$m	4	4	5	6
Other operating costs	\$m	-82	-81	-79	-81
Customer EBITDAF	\$m	76	67	50	56
Corporate allocation (50%) ¹	\$m	-12	-13	-15	-15
Retailing EBITDAF	\$m	64	54	35	40
EBITDAF margins (% of revenue)	%	6.7%	5.7%	3.7%	4.3%

Residential gas	unit	FY18	FY19	FY20	FY21
Average connections	#	60,905	61,711	61,591	60,701
Sales volumes	TJ	1,600	1,605	1,577	1,495
Average usage	per ICP	26.3	26.0	25.6	24.6
Tariff	\$/GJ	31.6	31.5	33.1	35.3
Network, meters and levies	\$/GJ	-19.6	-18.4	-17.9	-17.7
Energy costs	\$/GJ	-5.6	-5.9	-7.9	-8.6
Carbon costs	\$/GJ	-0.7	-1.0	-1.4	-1.5
Gross margin	\$/GJ	5.8	6.3	5.9	7.5
Gross margin	\$ per ICP	152	165	151	185
Gross margin	\$m	9	10	9	11

SME gas	unit	FY18	FY19	FY20	FY21
Average connections	#	3,677	3,901	3,947	3,876
Sales volumes	TJ	1,300	1,492	1,425	1,313
Average usage	per ICP	353.5	382.6	361.0	338.8
Tariff	\$/GJ	15.5	15.1	15.5	16.3
Network, meters and levies	\$/GJ	-4.5	-5.5	-6.0	-7.9
Energy costs	\$/GJ	-5.6	-5.9	-7.9	-8.6
Carbon costs	\$/GJ	-0.7	-1.0	-1.4	-1.5
Gross margin	\$/GJ	4.8	2.8	0.2	-1.6
Gross margin	\$ per ICP	1,689	1,068	72	-552
Gross margin	\$m	6	4	0	-2

Results announcement

(for Equity Security issuer/Equity and Debt Security issuer)

Updated as at 17 October 2019

Results for announcement to the market		
Name of issuer	Contact Energy Limited	
Reporting Period	12 months to 30 June 2021	
Previous Reporting Period	12 months to 30 June 2020	
Currency	NZD	
	Amount (000s)	Percentage change
Revenue from continuing operations	\$2,573,000	24.1%
Total Revenue	\$2,573,000	24.1%
Net profit/(loss) from continuing operations	\$187,000	49.8%
Total net profit/(loss)	\$187,000	49.8%
Interim/Final Dividend		
Amount per Quoted Equity Security	\$ 0.21000000	
Imputed amount per Quoted Equity Security	\$0.05444444	
Record Date	27 August 2021	
Dividend Payment Date	15 September 2021	
	Current period	Prior comparable period
Net tangible assets per Quoted Equity Security	\$3.18	\$3.08
A brief explanation of any of the figures above necessary to enable the figures to be understood		
Authority for this announcement		
Name of person authorised to make this announcement	Kirsten Clayton, Company Secretary	
Contact person for this announcement	Matthew Forbes, GM Corporate Finance	
Contact phone number	+64 21 072 8578	
Contact email address	investor.centre@contactenergy.co.nz	
Date of release through MAP	16/08/2021	

Audited financial statements accompany this announcement.

Please note: all cash amounts in this form should be provided to 8 decimal places

Section 1: Issuer information				
Name of issuer	Contact Energy Limited			
Financial product name/description	Ordinary shares			
NZX ticker code	CEN			
ISIN (If unknown, check on NZX website)	NZCENE0001S6			
Type of distribution (Please mark with an X in the relevant box/es)	Full Year	X	Quarterly	
	Half Year		Special	
	DRP applies	X		
Record date	27/08/2021			
Ex-Date (one business day before the Record Date)	26/08/2021			
Payment date (and allotment date for DRP)	15/09/2021			
Total monies associated with the distribution ¹	\$162,985,634.70 (776,122,070 shares @ \$0.21 / share)			
Source of distribution (for example, retained earnings)	Operating Free Cash Flow			
Currency	NZD			
Section 2: Distribution amounts per financial product				
Gross distribution ²	\$0.26444444			
Gross taxable amount ³	\$0.26444444			
Total cash distribution ⁴	\$0.21000000			
Excluded amount (applicable to listed PIEs)	N/A – Not a listed PIE			
Supplementary distribution amount	\$0.02470588			
Section 3: Imputation credits and Resident Withholding Tax ⁵				
Is the distribution imputed	Fully imputed			
	Partial imputation			
	No imputation			

¹ Continuous issuers should indicate that this is based on the number of units on issue at the date of the form

² "Gross distribution" is the total cash distribution plus the amount of imputation credits, per financial product, before the deduction of Resident Withholding Tax (RWT).

³ "Gross taxable amount" is the gross distribution minus any excluded income.

⁴ "Total cash distribution" is the cash distribution excluding imputation credits, per financial product, before the deduction of RWT. This should include any excluded amounts, where applicable to listed PIEs.

⁵ The imputation credits plus the RWT amount is 33% of the gross taxable amount for the purposes of this form. If the distribution is fully imputed the imputation credits will be 28% of the gross taxable amount with remaining 5% being RWT. This does not constitute advice as to whether or not RWT needs to be withheld.

If fully or partially imputed, please state imputation rate as % applied ⁶	21%	
Imputation tax credits per financial product	\$0.05444444	
Resident Withholding Tax per financial product	\$0.03282222	
Section 4: Distribution re-investment plan (if applicable)		
DRP % discount (if any)	0% - No discount	
Start date and end date for determining market price for DRP	26/08/2021	01/09/2021
Date strike price to be announced (if not available at this time)	02/09/2021	
Specify source of financial products to be issued under DRP programme (new issue or to be bought on market)	New issue	
DRP strike price per financial product	Not available at this time	
Last date to submit a participation notice for this distribution in accordance with DRP participation terms	30/08/2021	
Section 5: Authority for this announcement		
Name of person authorised to make this announcement	Kirsten Clayton, Company Secretary	
Contact person for this announcement	Matthew Forbes, GM Corporate Finance	
Contact phone number	+64 21 072 8578	
Contact email address	investor.centre@contactenergy.co.nz	
Date of release through MAP	16 August 2021	

⁶ Calculated as (imputation credits/gross taxable amount) x 100. Fully imputed dividends will be 28% as a % rate applied.